

The State Agency Buy Recycled Campaign (SABRC) Evaluation

July 2003



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Executive Summary

The California Integrated Waste Management Board (CIWMB) engaged Green Seal, an independent nonprofit environmental organization, to provide a general overview of buy recycled programs nationwide. The contractor also compared the California State Agency Buy Recycled Campaign (SABRC) with similar government efforts, conducted a program evaluation of the SABRC, and identified performance improvement opportunities for the program.

After a nationwide review of buy recycled programs and 39 interviews (60 individuals), Green Seal found that in many respects the SABRC program compares well with the federal and other State programs. The SABRC program covers a wide range of product categories; it has the force of law and is implemented to some degree; and it provides an excellent infrastructure to agencies in terms of training, trade shows, and educational materials. The program has achieved a measurable and not insignificant percentage of purchases by the State in the form of recycled-content products (RCP), thus stimulating demand for recycled materials, recycling programs, and diverting materials from landfills or other waste management options. The SABRC program has a highly committed and motivated staff dedicated to its implementation and support, as well as a number of committed representatives in the agencies.

The SABRC, however, has fallen short of its originally conceived objectives, and it is unlikely to achieve them in the future without modifications to its program design (goals and product categories) and implementation tools and processes.

Modifications to the program design are necessary to more fully integrate the legislative intent of the program as well as to provide for a reiterative schedule that accurately reflects current landfill needs and modifies the program structure accordingly. For instance, a current program update would include the removal of “steel” as a category, since all U.S. steel is probably recycled.

In terms of implementation tools and processes, the SABRC has not been effective in three key areas: providing easily accessible product-specific information to purchasers in agencies who wish to buy SABRC-compliant products; tracking and reporting on purchases of RCPs and all reportable purchases by State agencies; and administering the program in cooperation with the DGS.

- **Product information:** An affirmative procurement program must make it easy for purchasers to buy compliant products (if it’s easier, it’s more apt to happen; the converse is also true). There should be an easily accessible catalogue, preferably online, that lists only compliant products in the relevant categories. This is not the case now with SABRC, which shares its site with other buy recycled programs that offer noncompliant products. Moreover, purchasers should not bear the burden of certifying that a product meets the program’s recycled content (RC) criteria. This responsibility should be borne by the manufacturers in conjunction with the central administrators of the program, CIWMB, or the Department of General Services (DGS).
- **Tracking and reporting:** Although required by legislation, only a minority of agencies accurately track and report their purchases in the 11 (soon to be 12, with Antifreeze) SABRC categories. These requirements are often not taken seriously by agency staff, in part because of management disregard, and in part because of the difficulty of tracking purchases of these products. The products are often commodities that are frequently purchased in great numbers using various contract vehicles or individual credit cards. While the legislature’s intent in requiring tracking and reporting was undoubtedly to enforce compliance with the program and determine the level of compliance, the method is ineffective. Modifications are necessary

to improve the process. If compliant products are made easily accessible to purchasers, compliance should take care of itself. Determining percentage compliance may require periodic audits by the Comptroller's office, which has the expertise to do this. Modifications to the tracking and reporting tools are essential to relieve agencies from the current process, which is burdensome. Agencies plainly have no resources to carry it out.

- **Administration:** The administration of the SABRC program has been primarily the responsibility of CIWMB, but the program is primarily a procurement program. DGS must take a more prominent leadership role in any affirmative procurement program. Its management must be the first to take the lead (individual DGS staff have valiantly worked on the program's behalf, but they have worked in a vacuum). DGS management must be integral to the procurement reforms that are currently underway. The nascent EPP (Environmentally Preferable Procurement) program in the California State government is a better model of what is needed: both DGS and CalEPA are taking leadership roles. DGS has even started a green procurement program, pre-dating the legislation for it (AB 498, Chan, Chapter 575, Statutes of 2002). With the DGS taking a more progressive role in the administration of the SABRC, the DGS and CIWMB can cooperate to merge the procurement expertise of the DGS with the environmental expertise of the CIWMB—both of which are significant elements in the improved performance of the SABRC program.

Based on findings more fully detailed in the report, Green Seal's key recommendations to improve the performance of the SABRC program are to: 1) Create a database of SABRC-compliant products that also provides the associated vendor source information and the product certifications; 2) Prioritize purchasing and tracking efforts by targeting agencies and contracts with large expenditures; 3) Improved marketing of RCPs with case studies that increase product confidence; 4) Simplify and standardize tracking tools and requirements; 5) Centralize program research and implementation tools (product lists, tracking tools, vendor contact information, certifications); 6) Increase the profile of the SABRC through outreach to all personnel with purchasing responsibilities, including agency directors, management, and administration. In this effort, the highest level of government administration should endorse the program to maximize participation among State agencies. Collectively, these steps should produce significant improvement in the performance of the SABRC program within the California government.

1.0 Introduction

1.1 Background

On September 30, 2002, Green Seal began a project for CIWMB to conduct a program evaluation of the SABRC. The intent of this evaluation is to provide a brief assessment of the effectiveness of certain elements of the SABRC and recommend how to improve their performance.

In carrying out this program evaluation, Green Seal undertook the following three tasks:

Task I. Conduct a general overview of buy recycled programs nationwide.

Task II. Benchmark the SABRC with other State and federal buy recycled programs.

Task III. Evaluate the effectiveness of the SABRC by providing feedback on and recommendations for a series of questions identified in the scope of work (SOW). These questions are identified within the text of this report by "SOW" and also referenced in the Appendix: SOW Questions.

1.2 Methodology

The information included in this report was gathered through interviews with California State personnel and from private, non-governmental organizations (NGO) and other local, State and Federal government sources. The interviews took place during November and December 2002 and lasted from 75 to 90 minutes. A total of 39 interviews (60 individuals) were conducted with California State employees. Table 1 details the SABRC stakeholder groups that were interviewed, the number of completed in-person interviews, and the number of written questionnaire responses received. These written responses were provided by the interviewee at the time of the interview or sent by e-mail at a later date. In addition, Table 1 also identifies the number of e-mailed or faxed comments sent by stakeholders. These comments outline general programmatic perceptions regarding SABRC and are not a direct response to any individual question identified in the questionnaire.

Table 1. SABRC Interview Statistics

SABRC Stakeholder Group	Completed In-Person Interviews	Written Responses to Questionnaire	Comments sent by E-mail/Fax
DGS	6	0	1
SCSA	1	0	0
Cal/EPA	2	0	1
CIWMB	9	3	2
State Agency	21	7	1

Task I. General Overview: Purchasing Programs at State, Federal and Local Levels

2.0 Revisiting Buying Recycled—a Survey of Selected Efforts by Governments

2.1 Introduction

Throughout the 1970s and 1980s, recycling programs were championed by grassroots organizations in response to the “garbage crisis”—the realization that landfill space in some parts of the country was becoming more limited. Local governments and municipalities took up these efforts, since they were the first to make the connection between reducing pressure on disposal capacities and keeping valuable materials out of landfills. To make recycling economically viable, federal, state, and local governments began campaigns to encourage citizens and businesses—as well as their own agencies—to “buy recycled” in order to “close the recycling loop.” Today, different levels of governments, from municipalities up to and including the federal government, have campaigns to promote recycled-content product (RCP) purchasing.

This section is a description of current efforts by governments nationwide to purchase RCPs. It is the result of a broad survey, examining both the types of available approaches and program elements. The intent of this section is not to answer all RCP procurement-related questions, but to provide an overview of programs, as well as to identify some lessons learned, or elements of success. These elements can then be further developed and used to measure the success levels of campaigns—which are covered in the next section of this report.

There are two identifiable broad approaches to buying recycled—informational-based campaigns and procurement-based campaigns. The following discussion identifies specific examples of federal, local, and state government programs. A number of lessons learned and the campaign elements critical for success are also provided.

2.2 Types of Campaigns

The Federal Government has been quite active in the recycled-products purchasing arena. Recognizing the government's purchasing potential, the United States Congress, in the Resource Conservation and Recovery Act of 1976 (RCRA), directed the U.S. Environmental Protection Agency (U.S. EPA) to identify recycled-content products, and to develop guidance for purchasing these products. The act also required procuring agencies to establish programs for purchasing these products. The Office of Federal Procurement Policy, in the Office of Management and Budget (OMB) is responsible for coordinating the RCRA requirements with other federal procurement policies.

A recent EPA survey detailed that buy recycled campaigns are also being conducted by a large number of states and local governments. At last count, more than 60 state and local governments have some form of buy recycled program. Of these, at least 46 state and local governments surveyed by the U.S. EPA not only provided recycled products information to its agencies, but also provided information on the purchasing of products and services with a wider variety of environmental attributes. Some institutions such as state universities or county agencies may also have their own programs. These were not surveyed due to their lower levels of effort. Programs surveyed reported the following purchases in FY 1999:

Table 2. Fiscal Year 1999 Recycled-Content Purchases

Entity	FY 1999 Recycled-Content Purchases
The State of Delaware	\$5.7 million
Kalamazoo County (MI)	\$77,000
King County (WA)	\$2.8 million
The State of Ohio	\$2.1 million

Informational Programs

In its simplest form, a government buy recycled informational campaign aims to promote the purchase of recycled-content products through: 1) Promoting the need for buying recycled-content products; and 2) Providing information on such products, typically by publishing a list of available products. These lists may also include descriptions, availability, and procurement sources or manufacturers for these products. This information is often available in pamphlet form or online, and it is available for public agencies as well as private use.

Prominent examples of informational programs around the nation include the U.S. EPA's WasteWise program. WasteWise is a free, voluntary program that provides information on how organizations can develop, implement, and measure their waste reduction activities through U.S. EPA-developed publications, case studies, and national and regional events. While the WasteWise program targets the minimization of municipal solid waste, it covers all aspects of waste reduction, recycling, and buying RCPs. As discussed later in this document, U.S. EPA also has a federal-wide environmentally preferable purchasing (EPP) program that encourages and

provides guidance to Executive agencies in the purchasing of environmentally preferable products and services.

State informational examples include the State of New Jersey's program, which has a Web site maintained by its Division of Purchase and Property. This program is under the Division of Property Management and Construction, which is a part of New Jersey's Department of Treasury. State legislation and an executive order provided resources for the site and the program, starting with the state's Mandatory Statewide Source Separation and Recycling Act. The Web site currently provides recycled product purchase information for all state agencies, including contract language and product sources. Product information listed on the site covers about 10 categories, including products such as antifreeze, garbage cans, insulation, pencils, binders, mouse pads, wrapping paper, garden hoses, floor tiles, wallets, motor oil, and tires.

The Commonwealth of Pennsylvania has an online Recycled Products Guide (RPG). This guide was established in March 1989 as part of legislative action: Act 101, requiring municipalities in the commonwealth to institute recycling programs. Now in its 12th year, the RPG database has been maintained by the Pennsylvania Department of Environmental Quality, and it has been expanded continuously to provide comprehensive information on recycled products. It now includes more than 4,500 recycled product listings from more than 700 manufacturers and distributors and more than 600 regional merchants. The RPG lists a broad range of product information under such classifications as paper, rubber, plastics, oil, glass, metals, wood, construction materials, packaging, and more. The complete guide contains more than 950 different recycled product classifications. Listings in the guide are free of charge to manufacturers, distributors, converters, and processors of recycled products.

On the county level, King County, Washington, also maintains a comprehensive Web site for its departments. King County also provides its agencies with electronic newsletters on newly available products, as well as its success stories.

In sum, more comprehensive informational campaigns by federal, state, and local governments tend to include the following common elements:

- A listing of available products with recycled content.
- Available product vendors or manufacturers.
- Pricing and availability.

Many state and local governments surveyed for this report also built their buy recycled informational programs around fairly comprehensive procurement guidelines. These include recommendations of recycled-content percentages for various products, as well as sample procurement language and pilot or success stories. Another common element of informational programs is that they usually do not set goals for the amount or volume of product purchases, nor do they closely monitor this data. Some reporting of purchases occurs, but these tend to be the exception.

Procurement Programs

Institutions and governments with strong commitments to buying RCPs often took the important next step of devoting resources for the actual implementation of a buy recycled products program, rather than just gathering and disseminating information. Implementation involves actual purchasing commitments in different ways, including: setting aside resources, earmarking resources for specific RCPs such as paper or motor oil, devoting resources to assist agencies' procurement efforts, or setting some purchasing and/or reporting targets. Motivation for

implementation can come from legislative or other executive actions (in the case of states), similar to the SARBC. Sometimes the motivation can come voluntarily through internal championship (in the case of some agencies or local governments). As discussed, the U.S. government's purchase of RCPs is governed by RCRA as well as a series of Executive Orders on "green procurement," covered below.

Implementation of RCP purchasing can focus on one or many product categories, depending on available resources. But they result in actual product purchases by governmental institutions, often on a consistent basis. The city of Portland, Oregon, for example, began its buy recycled program several years ago with an initial emphasis on paper. Portland's Bureau of Environmental Services (BES) had committed to purchasing a high recycled-content paper manufactured by a local paper mill. Because the paper met BES additional requirements, including a local supplier, BES set a price budget to address the paper's \$3 per ream cost instead of the \$2.50 wholesale cost of office paper. BES officials believed that the price differential would be only temporary, as additional purchasers begin demanding this paper. BES was able to show the gradual erosion of price premiums for recycled-content paper. Despite high price disparities when it was first introduced, recycled-content paper is now priced almost evenly with traditional virgin-content paper in some parts of the country. BES has expanded its RCPs to include other products where its resources permit.

The North Carolina state government also began to offer information on RCPs and has been purchasing them since 1996 through its own procurement efforts. This effort stems from executive order and legislative action in North Carolina. Like Portland, the state began with paper. The state has now expanded its procurement program to include more than 12 other categories of recycled products available on term contracts for state agency purchasing. The state's program, administered through the Division of Pollution Prevention and Environmental Assistance, continues to work with other state agencies to encourage and track recycled-content purchasing.

For example, through a collaborative effort between the North Carolina Department of Environment and Natural Resources, the Department of Administration, and the Department of Corrections, North Carolina is one of the first states in the nation to offer high quality re-refined motor oil on state contract at a price equal to or less than virgin oil. This use of re-refined oil is an excellent case of supporting local recycling markets and local business (the contract is with Warren Oil based in Dunn, N.C.), while supplying the state with an innovative and value-added product.

Another example is the paper procurement effort of the City of Santa Monica, California. In November 1995, the city adopted several policies pertaining to office paper in the form of an administrative instruction to all city employees. These policies were designed to increase the purchase and use of recycled paper products and other sources of paper, and to help reduce the amount of waste generated in daily city operations where feasible. One of the policies specified that all writing pads, file folders, report covers, note pads, and envelopes be recycled and/or tree-free products (paper made from other fiber sources, such as kenaf or hemp instead of paper). Another required that all requests for outside printing specify the use of recycled or tree-free paper and vegetable-based printing inks. Policies addressing procurement specifications required that recycled paper and waste reduction specifications be included in all requests for submittals from outside contractors.

In general, the implementation of buy recycled programs often involves these following elements in addition to providing product information:

- Devoting additional resources to offset potential price differences.

- Assisting purchasers with product testing and/or pilot programs.
- Setting purchasing requirements.

Most of the programs surveyed for this report built their program using a combination of the above components. Additional resources required for implementation programs are often created via legislative or executive actions, or both, and the tasks often fall upon a central implementing/monitoring agency or office within an agency.

The majority of programs approach buying RCPs first with the identification of a recycled-content product or products, then setting targets for both recycled content percentage and purchasing quantity, and closing the circle by identifying and providing the resources needed to accomplish these goals. Purchases by these programs tend to be more closely monitored, although most still rely on voluntary reporting by purchasers.

2.3 Award Programs

Different award programs have been created to recognize government and business achievements in buying recycled. The following section provides an overview of two national and two state award programs.

2.3.1 NATIONAL AWARDS

“Buy Recycled” Award of the U.S. Conference of Mayors “Recycle at Work” Campaign
(www.usmayors.org/USCM/recycle/awards/2001awards.htm).

“This award is given to the organization that demonstrates outstanding effort to purchase and use recycled paper and other recycled products. Considerations will be given to the overall quality of the buy recycled program, diversity of recycled products purchased, and to the quantity of recycled products purchased.” By application.

Judging criteria:

- Has an established buy recycled policy.
- Sets recycled products purchasing goals.
- Use of recycled paper in mailings, packing papers, inserts, and/or order forms.
- Uses recycled products for a variety of office and other uses.
- Encourages contractors to use recycled products.
- Tracking program for purchase of paper and other recycled-content products.
- Employee Buy Recycled Training program
- Eligibility: Companies, organizations, universities, local, state, and federal government entities.

National Recycling Coalition’s Best Business or Government Buy Recycled Program and Best State Buy Recycled Campaign Award (www.nrc-recycle.org/).

A committee of NRC members selects winners and the awards are presented during the National Recycling Coalition’s Annual Congress & Exposition.

“Best Business or Government Buy Recycled Program is awarded to a business or government agency that has demonstrated leadership and a commitment to purchasing recycled content feedstock or products, shown creativity and innovation in expanding the type of materials used, and maintained a strong track record in use of high volumes of recycled-content materials.

“Best State Buy Recycled Campaign Award recognizes the State Buy Recycled Program that was the most successful in attracting new members, as well as serving as a catalyst to help existing members be more effective in increasing their purchase of recycled products and materials. Unique program features are taken into account and consideration is given to differences among state populations.”

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2.3.2 STATE AWARDS

Massachusetts OSD (Operational Services Division) Agency and Municipal Buy Recycled/EPP Awards Program (www.state.ma.us/osd/enviro/awdspurc.htm).

This is a public recognition award for agencies or municipalities that have made a significant effort in increasing their purchases of recycled products or have promoted buy recycled and EPP. By application.

Judging criteria:

- Diversity of recycled and/or other environmentally preferred products purchased.
- Total dollars spent on recycled/EPPs.
- Comprehensiveness of recycled/EPP procurement effort.
- Documented experience in pilot-testing new recycled-content products and EPPs.
- Innovation/creativity in recycled/EPP purchases.
- Incorporating the concept of sustainability into the institutional practices of the organization.
- Growth in recycled purchases made during the past year.
- Adoption of a formal buy recycled policy and the level of detail achieved regarding issues such as postconsumer product content, diversity of products, etc.

- Implementation of a comprehensive method of tracking recycled/EPP purchases to ensure the proper documentation and to enable sharing of ideas and information.

North Carolina Department of Environment and Natural Resources
(www.p2pays.org/ref/14/13009.pdf).

NCDENR offers grants to promote the purchase of RCPs by municipal and county governments. By application.

Proposals must contain two of the following:

- Development of buy recycled policy.
- In-house training and education.
- Purchase and evaluation of RCPs.
- Outreach and education to private sector business and industry.

California already has developed several awards programs that have buy recycled components that should be included:

Waste Reduction Awards Program (WRAP)—administered by CIWMB to recognized comprehensive business waste reduction efforts. State agencies are not currently eligible.
www.ciwmb.ca.gov/WRAP/

Trash Cutter Award—Administered by CIWMB to recognize exemplary local government waste reduction efforts. www.ciwmb.ca.gov/Trashcutters/

State Agency Recycling Recognition (STARR) Awards—Administered by CIWMB to recognize exemplary state agency waste reduction efforts. www.ciwmb.ca.gov/StateAgency/STARR/

Judging criteria:

- Model for others.
- Feasibility/planning.
- Sustainability/commitment.
- Impact.
- Collaboration.

2.4 Recycled-Content Purchasing Efforts In Relation to EPP

As federal, state, and local government programs gained in strength, a number of governments also expanded their program to include EPP purchasing. These programs typically involve examining the multiple environmental impacts of products or services throughout their life cycles, from resource extraction to ultimate disposal. As discussed earlier, the federal government has expanded its program to include EPP purchasing. Some of the more mature recycled products procurement programs have also done so, including the Commonwealth of Massachusetts, and King County, Washington programs.

Environmentally-preferable and recycled-content product purchasing by federal Executive agencies have been directed by the Executive Orders (EO) 13148, “Greening the Government Through Leadership in Environmental Management,” EO 13101, “Greening the Government

Through Waste Prevention, Recycling, and Federal Acquisition,” and EO 12873, “Federal Acquisition, Recycling and Waste Prevention.” These EOs are further elaborated in the U.S. EPA’s “Final Guidance on Environmentally Preferable Purchasing for Executive Agencies” (64 FR 45810). U.S. EPA’s elaboration defined for agencies the need for incorporating environmental considerations (including recycled content) in purchasing decisions along with price and performance.

Examples of the expanded product categories promoted in these EPP programs include:

- Waste-reducing products.
- Energy/water-efficient products.
- Less/non-toxic products.
- Chlorine-free or tree-free paper.
- Recycled-content office supplies.
- ENERGY STAR®-labeled electronic equipment.
- Recycled-content or organic clothing.

These general categories contain more than 100 general product categories considered by various programs for their environmental impacts. The most commonly considered product category was paper, including the many different paper types such as tissue, printing/writing paper, and newsprint. Selected other general product categories considered by various programs include (in alphabetical order, with environmental attributes in parentheses):

- Antifreeze (re-refined).
- Batteries (rechargeable, returnable, recycled content, limited mercury content).
- Cardboard (recycled content).
- Cleaning products (less toxic).
- Compost (general use).
- Computers (energy efficient).
- Glass (recycled content).
- Insulation (recycled content).
- Lights (energy efficient).
- Oil (recycled content).
- Packaging (recycled content, recyclability).
- Paint (returnable packaging, recycled content, volatile organic compounds (VOC) limits, less toxic).
- Plastic bags (recycled content).
- Carpeting (recycled content).

- Plastic lumber (recycled content).
- Plastic traffic barricades and signs (recycled content).
- Tires (retreaded).
- Toner cartridges (remanufactured).
- Vehicles (alternative fuel, remanufactured parts, energy efficient, noise control, air emission limits).

2.5 Lessons Learned

Surveying available buy recycled campaign information from various governments provided numerous examples of the successful efforts at the state and local government levels in buying RCPs. Many of the same information sources and reports also offered key lessons learned or critical elements that helped a campaign succeed. Some of these are repeated below.

In terms of program types, both informational and procurement are prevalent at the state, local, or federal government level, and some programs represent a combination of these two approaches. As for exact percentages of each, this information is not readily available from the U.S. EPA or elsewhere. In addition, while this percentage comparison may be informative in providing an indication of program types, it is by no means an indication of the effectiveness of each approach. Rather, it is an indication of the available resources devoted to a campaign, as procurement-based campaigns tend to require more resources to inform, buy, and track.

Furthermore, while a number of successful examples of each approach have been recognized and publicized, not-so-successful campaigns are less likely to receive scrutiny or more importantly, analysis. Our survey indicates that many external factors contributed to less-than-successful efforts—changes in government leaderships, budgets, or priorities—each individually and together can result in campaigns not meeting their objectives. As many successful campaigns may transition from information providers to championing procurement actions, less supported campaigns can reverse this generally successful course and go from procurement to information, or even to termination.

There are two major distinctions between the various procurement programs. Some rely solely on voluntary participation, and others include executive orders, policies, or explicit legislative mandates. Some of the more successful programs are strictly voluntary. These include King County, Washington; the Commonwealth of Massachusetts, and the State of Minnesota (prior to 2000). The creation of these programs required some action at the state or county levels. Other programs depend upon state or local government’s statutory mandates to help get recycled-content products purchasing efforts underway and to maintain progress. This is true of the SABRC in California.

While this latter approach can be more comprehensive, it has resulted in some campaign participants who suggest that they were only incorporating recycled-content product purchasing “because they have to.” A number of participants also dismissed the importance of green purchasing executive orders or other policy statements. Reports from state and local governments with green purchasing-related executive orders or policies indicate that for some agencies, there was no real effort to adopt recycled-content purchasing, due to lack of interest, available resources, or both. In addition, since some of these programs do not have clearly stated goals or targets, estimating or tracking compliance often is an issue.

Time is a major element in program implementation. State and local governments tend to buy their goods and services through multiyear contracts, so the introduction of new products might have to wait until contracts are up for renewal or renegotiation. Recycled-content product purchasing also requires introducing a wider variety of people to environmental information about the products and services they buy. Most people are unfamiliar with the specifics of how their purchasing decisions can affect the environment. Available information also indicates the importance of identifying and placing products on state contracts as part of any mandate. Once products are available on a contract, they are easier for agencies to buy. Making products easier to buy can significantly increase willingness to try.

2.6 The Indicators of Success

Without exception, information gathered from state and local government programs indicates that programs with a strong recycling advocate(s) are more likely to base purchasing decisions on recycled content than those without. Without exception, programs with both a strong advocate and a mandate are even more likely to result in products purchased. An example of a program that has a track record of year-after-year RCP purchases is King County, Washington—which has continuously maintained and tracked their RCP purchases for a number of years. Furthermore, procurement programs tend to result in more product purchases. (The one caveat here is that these programs tend to also have some type of tracking mechanism built in).

Because many programs started as grassroots efforts working with limited resources, the focus tended to be bottom-up rather than top-down. This can affect a program's definition of success. In the case of an informational program, success is typically seen as disseminated information. For a procurement program, success is getting a purchaser to purchase recycled-content products. Thus, although most programs surveyed indicate some degree of success—increased RCP awareness and purchases—few programs actually set goals for RCP purchasing. Some programs do have articulated goals, as set out in the legislative or executive actions, but these tend to be quite broad. They often required and depended on interpretation by the implementation agencies.

While having an advocate can play a large part in a program's success and can provide a good qualitative measure of a program, it is still extremely difficult to gauge the overall effectiveness of these programs quantitatively, even without the vagaries of agency budgets and priorities. This is due to the fact that, while these programs have increased awareness and procurement of recycled-content products overall, measuring their actual success first requires the development of some metrics with which to evaluate achievements.

Emphasizing the point made above, most available program reports, including the programs of U.S. EPA, typically provide information on how many recycled products a program buys in any given year. But few can articulate the goals of the program, or their progress toward these goals. Examples include the State of Ohio, which reported more than \$2.1 million in recycled products purchasing for 1999—an impressive dollar amount. However, King County, Washington, with a population less than half of Ohio, purchased more than \$2.8 million recycled-content products in the same year. This does not indicate that King County was a better purchaser than the State of Ohio. Without some common metrics, measuring program progress is sometimes a difficult, if not impossible task, even for some successful programs.

In summary, the identification of some specific metrics is necessary to realistically measure program goals and progress, including a few qualitative measures. This discussion is further explored in the next section of this report and helps set the stage to benchmark programs. Some specific metrics to consider include: volume and percentage of RCP purchases, year-over-year changes in agency purchases and reporting, change in number of products and product categories, changes in recycled contents, and changes in the number of participating agencies.

Task II. Benchmarking: SABRC Compared with Federal and State Programs

3.0 Comparing SABRC With Other Buy Recycled Campaigns

3.1 Introduction

This section of the report compares the activities, progress, goals, and achievements of the California State Agency Buy Recycled Campaign (SABRC) to other governmental RCP procurement programs currently operating around the nation and to U.S. government programs.

For this discussion, we selected two state-based purchasing programs from the various state and local government campaigns that were surveyed in the previous section, as well as the federal government's efforts. The two state-based campaigns—the Commonwealth of Massachusetts' Recycled and Environmentally Preferable Products Procurement Program and the State of North Carolina's Project Green—were selected based on the type of program being implemented. Other criteria included the purchase volume, the product categories that they procure, and the requirements for products, as well as the statewide coverage of agencies involved. The federal campaign was selected based on the same criteria.

As mentioned in the previous section, RCP procurement campaigns tend to fall into two general groups: informational and procuring. The main difference between these campaigns is that one approach focuses mainly on delivering information for purchasers, while the other emphasizes the actual purchasing of products along with delivered information. For this comparison, we selected campaigns that focus on product procurement rather than informational. We also looked among campaigns that have achieved some successes. These include increasing awareness and/or actual purchases of RCPs, as well as the inclusion of RCPs in the governmental procurement process. The goal was to better establish measurement metrics and compare program activities, progress, goals, and performance.

This following discussion identifies specific criteria to compare program goals and progress. It includes a few qualitative measures based on available information. This section begins with brief descriptions of each of the programs, then goes on to examine each program's mandates, stated purposes, and main goals or objectives, if available. It then compares the details of each program using available information and statistics, including estimated purchase volume and years in operation. The section includes product categories and recycled-content requirements for each category. Also included is an evaluation of each program's own progress and achievements examining its success in overall RCP purchasing.

3.2 Program Descriptions

3.2.1 SELECTION CRITERIA

The campaigns listed below were selected based on the type of program being implemented, as well as characteristics that may allow some comparison. This comparison is made either directly with the SABRC, or against the program's own goals and objectives. Because the selected programs are procurement-based, we also looked closely at the following factors:

Purchase Volume: Selected campaigns all affect a significant purchase volume, both in terms of overall amount, as well as the amount of RCP purchased. Since the SABRC affects all of the State of California's purchases (\$6 billion in goods and services), small programs or programs

that do not offer the same type of purchase volume may not have to deal with the level of complexity involved in coordinating procurement efforts across agencies and departments.

Product Categories: Selected programs cover a wide variety of product categories in their purchasing, rather than the procurement of a single product category (for example, the Recycled Paper Coalition or similar campaigns).

Recycled-Content Products Procurement: Campaigns selected all have as their primary focus the procurement of RCPs. While programs do address some aspects of EPP purchasing, programs that focus solely on procuring EPP products were eliminated (see “Content Requirement for Products” below).

Content Requirements for Products: In addition to a wide variety of product categories, the programs selected all have purchasing guidelines specifically designed for RCP procurement, including postconsumer (PC) content, purchasing goals for RCPs, or both.

Coverage of Agencies: Programs selected all address statewide (or countrywide) agency or departmental procurement. This puts them on the same level of coverage as the SABRC.

Reporting Requirements: We also looked for programs with comprehensive reporting requirements, since this allows for some quantitative comparisons. Although some campaigns have achieved reported successes, it is not possible to measure or compare their level of success without reporting.

The selection criteria we used eliminated a number of well-known programs. These included the City of Santa Monica, California, program, due to its small volume, and the King County program in Washington state due to its EPP focus. The selection process also eliminated some state-level campaigns as well, including the State of Texas program (informational only), or the Commonwealth of Pennsylvania program (less comprehensive reporting requirements). Although an effort was made to increase regional representation, the criteria used for selection drastically reduced the number of available candidates.

In addition to their type and scope, the programs selected have also been operational for more than half a decade or more, or long enough to weather at least one state election cycle and any executive changes. Finally, the programs selected for comparison to the SABRC, including the federal program, all have legislative and/or executive mandate to buy RCPs through agency procurement processes. Table 3 contains a summary of the programs, their origination, and the program start date.

3.2.2 ORIGINS AND START DATE

Table 3. Summary of Programs, Their Origination, and Program Start Dates

	CA	MA	NC	Federal
Origination	Legislation	*EO, Legislation	EO, Legislation	Legislation, EO
Statutes/EO Year	1989	1988	1993	1976
Year Started	1989	1989	1993	1983

SABRC: The State Agency Buy Recycled Campaign is a joint effort between the DGS and the CIWMB to implement 1989 State legislation mandating RCP purchases. State agencies and the Legislature are required to purchase RCPs instead of non-RCPs in 11 product categories “whenever price, quality, and availability are comparable.” Furthermore, State agencies must report their purchases annually to the CIWMB and DGS. State law also requires product suppliers to certify the recycled content of all products offered or sold to the State.

The Buy Recycled section of the CIWMB manages the SABRC and promotes California’s State policy to “buy green.” Staff members of the Buy Recycled section provide a wide variety of assistance to State agencies in establishing practices for purchasing RCPs, including training and presentations, compiling RCP sources, creating recycled-content certification guidelines, and assistance with the annual SABRC report and policies. In addition, the CIWMB hosts an annual Recycled Product Trade Show and a Recycled Products database.

Federal RCRA Recycled Products Procurement Campaign: section 6002 of the Resource Conservation and Recovery Act of 1976 (RCRA) directed U.S. EPA to identify and designate guidelines for products made with recycled waste materials or solid waste by-products, and to assist federal agencies responsible for procurement in meeting their obligations with respect to designated items under RCRA section 6002(e). The act also requires procuring agencies to establish programs for purchasing these products.

A 1998 Executive Order (EO 13101) strengthened the requirements of RCRA. Specifically, the EO defined more clearly the duties of the Federal Environmental Executive—who is appointed by and reports to the President—and the responsibilities of agency environmental executives in implementing certain initiatives and actions to further encourage the “greening” of the government through federal procurement. The Office of Federal Procurement Policy within the OMB is responsible for coordinating the RCRA requirements with other federal procurement policies. The office reports to Congress every two years on federal agencies’ progress in implementing these requirements, including reporting on the federal government’s RCP purchasing efforts.

The Commonwealth of Massachusetts’ Buy Recycled Program: Massachusetts’ effort to establish detailed direction and guidelines for recycled product procurement—was one of the first in the nation. Initially known as the Recycled Products Procurement Program and now the Recycled and Environmentally Preferable Products Procurement Program, this program began in May 1988 with the issuance of an executive order (E.O. #279). The EO directed the state’s purchasing agent to develop a “Recycled Materials Procurement Plan,” implement a buy recycled program statewide, and establish regulations to guide the program. In April of 1989, the legislature followed the executive action by promulgating 802 CMR 4.00: Recycled Material Procurement Regulations. These regulations outlined detailed procurement methodologies for recycled products and targeted specific product areas.

The procurement program is coordinated by the Operational Services Division (OSD), which acts as the central purchasing arm for Massachusetts state departments and agencies. OSD provides contracting services for a wide range of products, including those that are environmentally preferable, and makes them available to all public entities throughout the Commonwealth. The environmental procurement effort receives its funding and guidance from the Executive Office of Environmental Affairs (EOEA) and the Department of Environmental Protection (DEP). Since 1994, this funding has paid for two full-time staff people at OSD dedicated to environmental procurements. The Environmental Purchasing Program provides a number of services for state agencies, municipalities, authorities, and other political subdivisions assisting them in buying recycled and environmentally preferable products, and helps to track purchases of these products.

North Carolina Buy Recycled Campaign: Also known as NC Project Green, North Carolina's program got its start in Executive Order No. 8. This order was signed in 1993 and later rewritten as No. 156 in 1999 in support of NC Project Green, encompassing the state's environmental sustainability initiative. The North Carolina General Assembly also promulgated state law requiring state agencies to participate in office recycling programs and purchasing products that contain recycled materials as well as reducing waste (NC General Statute 143-58.2(a), enacted in 1993). The General Assembly also passed legislation requiring state government to purchase products that reduce waste and toxicity. (G.S. 130A-309.14[a1]).

North Carolina's program is administered by the State's Department of Administration, which has the responsibilities to review and revise its bid procedures and specifications to encourage the purchase or use of "reusable, refillable, repairable, more durable, and less toxic supplies and products." The Department of Administration is authorized to require the procurement of such supplies and products to the extent that the purchase or use is practicable and cost-effective. The Division of Purchase and Contract (P&C), within the department is responsible for helping purchasers identify recycled-content and EP products available through state term contracts. The department is assisted by the North Carolina Division of Pollution Prevention and Environmental Assistance, which offers free, non-regulatory technical assistance to North Carolina businesses, industry, government agencies, institutions, and the public about waste reduction and recycling. The division maintains an information clearinghouse and database of publications, including fact sheets and documents for buying recycled products.

3.2.3 MANDATES

The legislative action that created SABRC was predicated on the fact that State agencies can have a major impact on RCP purchasing. In fact, for fiscal 2002, CIWMB estimated that more than 6 billion dollars are spent on goods and services each year by the State of California. The California legislature in 1989 took action to set up a program to stimulate recycling and reduce solid waste by ensuring that a sizeable percentage of the goods and services purchased by the State are RCPs, and set specific goals for the SABRC. Therefore, State agencies are mandated by law to ensure that at least 50 percent of the dollars spent on 10 product categories and 25 percent of the dollars in an eleventh category are spent on RCPs.

In terms of the sheer product volume and agencies involved, the most comprehensive, ambitious and somewhat vague RCP procurement mandate belongs to the federal program. To comply with RCRA, an agency's affirmative procurement program must consist of four elements:

- (1) A preference program that requires the agencies to institute practices and procedures favoring the specification and procurement of RCPs.
- (2) An internal and external promotion program to actively promote the purchase program for RCPs.
- (3) Procedures for obtaining pre-award estimates, and post-award certifications of recovered materials content in the products to be supplied under any contracts over \$100,000 and, where appropriate, reasonably verifying those estimates and certifications.
- (4) Procedures for monitoring and annually reviewing the effectiveness of the affirmative procurement program to ensure the use of the highest practicable percentage of recycled-content materials available.

Table 4 contains a summary of estimated state or federal purchase volume, whether each is required to have purchasing goals and whether each is required to report formally to the legislature on its progress.

The state programs selected for this comparison also had specific mandates for RCP purchasing, unlike a large number of state and local programs surveyed for this report. For example, the Massachusetts program began with an executive order on recycled products procurement and gained momentum in 1992 with the publication of the commonwealth's Solid Waste Master Plan. This plan established a 46 percent recycling rate goal by 2000 and acknowledged the importance of buy recycled efforts in meeting that goal.

North Carolina's mandate is even more specific: all state agencies must meet legislative or executive goals for the purchase of recycled paper and paper products. This mandate required that from June 30, 1997, forward, all state agencies and local school administrative units must purchase at least 50 percent of total paper and paper products with recycled content. In fiscal year 1997–98, state government departments and universities must purchase at least 65 percent of total paper and paper products with recycled content.

A note on RCP purchasing programs versus EPP purchasing programs: All three programs selected for comparison with SABRC are first and foremost RCP procurement programs. All began with mandates to reduce waste, increase recycling, and increase governmental purchases of RCPs. While all of these programs have recognized the EPP concept and even included EPP descriptions among the products that they procure, the federal program is currently not yet focused on EPP. The RCRA-based CPG program for RCPs is far more established than that for EPP under E.O. 13101. The same is true for both the Massachusetts program as well as the North Carolina program: The major focus of both programs is to increase governmental agency purchases of RCPs.

3.3 Program Progress and Achievements

As summarized in Table 4, each of the programs covered in this section was intended to affect significant purchasing volumes by each government body. These range from an estimated \$300 million in goods and services by Massachusetts, to more than \$200 billion by the federal government.

Table 4. Summary of Government Purchase Volume, Purchasing Requirements, and Program Reporting Requirements.

	CA	MA	NC	Federal
Est. Volume (2001)	\$6 billion	\$300 million	\$400 million	\$218 billion
Purchasing Goals?	Yes	Yes	Yes	Yes?
Reporting Req.?	Yes	No Formal Report	Yes	Yes?

3.3.1 PROGRAM GOALS & OBJECTIVES

In order to cover as much of these purchasing volumes as possible, each of these programs also set specific recycled content levels for products as well as targeting specific product categories for purchasing efforts. The SABRC, for example, targeted 11 product categories for state agency procurement. Table 5 contains a summary of program categories and estimated RCPs in each category.

Table 5. Summary of Program Categories and Number of Products

	CA	MA	NC	Federal
# of Categories	11	8	12	7
# of Products	NA	46	30	54

Going beyond just requiring recycled content, each of the programs examined also set specific percentages within each of the product categories. In this regard, the SABRC program range is perhaps the most ambitious. The SABRC not only sets minimum recycled-content percentages (for example, 50 percent recycled content [RC], 10 percent postconsumer content [PC]) for each specified categories, but also specific percentages for purchasing volume (for example, 50 percent of dollars).

Although a number of campaigns around the nation have transitioned to adopting U.S. EPA-developed guidelines (Recovered Materials Advisory Notice [RMAN]) for specific categories and products, the federal program has not led in this respect until recently. In fact, in the early 1980s, Congress had to direct the U.S. EPA to issue guidance for five products with recycled content. Congress designated three of these: cement and concrete containing fly ash, recycled paper and paper products, and retread tires. Between 1983 and 1989, U.S. EPA issued guidance for these three products and for re-refined lubricating oil and building insulation. U.S. EPA did not issue guidance for any more products until 1995. Between 1995 and 2000, U.S. EPA increased the total number of designated products to 54 and issued comprehensive procurement guidance to federal agencies for use in purchasing these products.

The Massachusetts program, on the other hand, sets specific PC and TRC contents for a variety of products, but the commonwealth does not set specific goals for its purchasing volume. Its approach is to have only RCPs available through procurement contracts where feasible. The goal of the Massachusetts program is that eventually, only RCPs will be available through its procurement process, resulting in 100 percent compliance. Note that while North Carolina's program also set specific purchasing volume, it only set these goals for paper and paper products.

Paper Products: paper is one product category deserving of closer scrutiny. Since paper represents not only one of the largest volume purchases by government, it also contains many subcategories of products, all of which can be purchased with recycled content. Of the subcategories, the various requirements for RC and PC of paper products is an area where the programs really differ in their requirements.

While the SABRC guidelines have a "one size fits all" requirement for the paper and paper products category, other programs actually have more detailed guidance on a wide range of paper products. In addition to the content requirements, two programs also set procurement goals for paper. The SARBC sets a minimum procurement mandate of 50 percent. The U.S. EPA in its guidance covered about 16 separate products under the "printing and writing paper" category. Each of these products also received different RC and PC requirements from the U.S. EPA. Massachusetts' program also covered more than 10 different printing and writing paper categories. The federal executive agencies have not articulated their goals for recycled paper product purchases. Massachusetts, as discussed earlier, also has no articulated goals, while the North Carolina program actually set an escalating target and timeline to procure 100 of recycled paper in the state by 2002. Table 6 contains a summary comparison of requirements for paper products procurement by each of the campaigns.

Table 6. Comparison of SABRC and Other Program Requirements for Paper and Paper Products

Product Categories	CA Requirements	MA Requirements	NC Requirements	Federal (U.S. EPA) Requirements
Printing & Writing	30% PC	30% PC	20% PC	30% RC 30% PC
Newsprint	40% PC	30% PC	NA	20% RC 20% PC
Office Supplies	Varies depending on product/product category	20% PC	10% RC 20% PC	20% RC 20% PC
Paper Products				
Paper Towels	50% TRC 10% PC	100% RC 40% PC	100% RC	40% RC 40+% PC
Toilet Paper	50% TRC 10% PC	100% RC 20% PC	100% RC	20% RC 20+% PC

Automotive Products: another area where government programs demonstrate leadership in RCP procurement is by purchasing recycled-content automotive products. Each government agency owns/leases and maintains a significant fleet of cars and trucks, representing a significant volume for RCPs that are still not normally found in the commercial market place. While the purchase volumes in this product category are still much smaller than paper products, each campaign has the opportunity to significantly affect this market and is doing so through their PC and RC requirements.

This category of products is perhaps one of the most important in terms of significance, since the number of growing automobiles and their maintenance represents a substantial source of environmental pollutants. For example, there are more than 20 million cars and trucks in California alone, each averaging 15,000 miles annually. At this annual rate, their care and maintenance can result in about 300 million gallons of used oil and about 40 million gallons of used antifreeze per year, as well as about 30 million discarded tires in the state.

Pollution from used motor oil remains a significant water pollution threat, and used antifreeze improperly disposed represents both a source of water pollution and a serious danger to domestic and feral wildlife (land and aquatic). Antifreeze is a particularly direct threat to wildlife because many species like the taste of antifreeze, and they will consume it—which inevitably results in their death. Discarded tires in California remain a serious challenge for the CIWMB. Further, the markets for products containing discarded tires, re-refined motor oil, and antifreeze are still nascent, especially for antifreeze products. While there may be some other limited applications for used motor oil and tire products, there are no other uses for discarded antifreeze.

Each of the campaigns surveyed set different RC and PC content for recycled automotive products. Requirements are summarized below in Table 7. The SABRC has recently added automotive antifreeze (January 2003) and is the only program that sets both a recycled content requirement as well as a purchasing volume target (50 percent) for motor oil and retread tires. The federal program's requirements are in accordance with U.S. EPA's recycled product guide, as are North Carolina's. The requirements of the Massachusetts program are the most comprehensive, with both a 100 percent PC requirement for antifreeze and a 50 percent PC

requirement for motor oil. This program also has a provision for bio-based products. All states and the U.S. EPA also have requirements for agencies to buy retread tires for their fleet.

3.3.2 TRACKING PROGRAM RESULTS

In terms of the progress of the selected programs toward their individual goals, we have gathered available and reported data on each of the program's annual purchases of RCPs and EPP products. We compared this amount against each of the program's estimated overall annual purchase volume. While this is not the best indicator of a program's achievements or successes, it can provide an overall picture of a program's impacts on governmental procurement practices. Table 8 contains the latest reported RCP purchases by each program, and the percentage of RCP purchases of the overall governmental volume.

Table 8. Latest Reported RCP Purchases (\$) by Program, and Percentage of RCP Purchases of the Overall Volume.

Product Categories	CA (2000–2001)	MA (1997 data)	NC (2001-2002)	Federal (DoD only)
\$ Purchases	\$217, 712,829	\$34,313,414	\$25,781,555	\$157 million
RCP Purchase %	7.2%	11.3%	6.4%	5.2%

Of the campaign results reported in Table 8, the SABRC leads the State-based programs in absolute dollars spent with more than \$217 million in total RCP purchases. With regard to program reporting, the federal program has not done well in tracking agency purchases. In fact, no one interviewed could articulate or determine the extent to which the large federal procuring agencies purchase RCPs, and no report is available from the Office of the Federal Environmental Executive at this time. Although individual institutions, offices or regional entities have initiated programs and reported success, as with the programs of the Department of Defense or others (for example, procurement by the Aberdeen Proving Grounds or the Southeast Region Post Office), overall U.S. agency or department efforts have not been closely tracked, as required by RCRA.

In fact, the Office of the Federal Environmental Executive, the entity responsible for tracking federal RCP procurement, only requires annual purchase reports from the top six procuring agencies. These six agencies are the Departments of Defense, Energy, Transportation, and Veterans Affairs; the General Services Administration (GSA); and the Nation Air and Space Administration (NASA). Together, these institutions account for about 85 percent of the federal expenditure of goods and services.

To date, however, no complete reports have been published for any of these agencies—the estimates on the following page came from information gathered at the Office of Management and Budget (OMB). However, it may be important to note that the General Accounting Office (GAO) in a report released in September 2002, found that these agencies generally provide estimates, not actual purchase data, to the Office of Federal Procurement Policy and the Office of the Federal Environmental Executive. According to the GAO, these estimates are generally not reliable.

The Massachusetts program only had purchasing information up to 1997 available. Program update data has been requested and may soon be available.

Purchases of Paper Products: although the RCP procurement percentage can give an overall indication of a program's impact, it does not provide an accurate indicator of program

penetration. A good proxy for the level of participation and effectiveness may be the use of recycled paper products by agencies. As discussed, paper is a ubiquitous governmental agency purchase, and while it may represent a large portion of some state's procurement volume, this may not be the case for all agency purchases (state correctional institutions or NASA are examples). However, compliant paper product purchases by agencies (meeting mandated PC/RC and/or percentage of volume) may provide some indication of campaign effectiveness and reach. Table 9 contains a summary of estimated overall printing and writing paper purchase volume by each campaign, the volume of recycled-content paper purchase, and the resulting percentage of recycled paper in agency purchasing for each.

Table 9. Summary of Estimated Overall Printing and Writing Paper Purchase Volume, Recycled-Content Paper Purchase Volume, and Percentage of Recycled Paper in Agency Purchasing by Program

Product Categories	CA (2000–2001)	MA (as of 1997)	NC (2000–2001)	Federal (4 Agencies Reporting)
Total Paper \$	\$47,421,760	\$5,745,540	\$23,936,704	\$530 million
Recycled Paper \$	\$30,189,875	\$4,883,709	\$20,575,566	\$400 million
% RCP	63.7%	85%	86%	75%

Significant Campaign Success: another factor to consider is that the reported level of each product category purchased may or may not reflect actual purchases. While paper purchases may be a good indicator of program penetration or effectiveness, each program or campaign examined may also have a particular category or product with which they may have achieved significant success.

Indeed, each of the campaigns examined registered the highest compliance or percentage of RCPs purchased in a different product category. Table 10 summarizes the highest compliance product category for each campaign, the dollar amount, and the percentage of purchase that contains RCP. The SABRC also leads the states in the purchased volume as well. GSA was able to only provide an estimate of its compliance percentage, but not the actual volume of the federal purchases.

Table 10. Summary of the Highest Compliance Product Category, Dollar Amount, and the Percentage of Purchases Containing RCP by Each Campaign

	CA (2000–2001)	MA (as of 1997)	NC (2000–2001)	Federal (GSA only)
Product Category	Steel	Lottery ticket stock (paper)	Office Paper	Copier Paper
Total Purchased	\$169,169,793	\$ 19,800,000	\$20,575,566	NA
% Recycled	97.3%	100%*	86%	98%

*Note: Most, if not all, steel in the U.S. is assumed to be recycled.

Year After Year Changes in RCP Purchases: campaign effectiveness or awareness usually required sustained efforts over long period. Thus, any changes in RCP purchases over prior years may also indicate progress by these programs, although this may not always be the case. For

example, because some state and local government agencies buy their goods and services through multiyear contracts, the introduction of new products might have to wait until contracts are up for renewal or renegotiation. As a result, the figures may not be reflected in annual changes in purchasing volume. Table 11 summarizes 2001 and 2000 purchases for each campaign (or the latest continuous data available) and percentage increase in total RCP purchases over prior year. Note that federal data is not available, and North Carolina reported overall decreases in state purchases due to a combination of budget cuts and increases in electronic communications.

Table 11. Summary of 2001 and 2000 RCP Purchases for Each Campaign and Percentage Change in RCP Purchases

	CA (2000–2001)	MA (as of 1997)	NC (2000–2001)	Federal (GSA)
Latest Year \$	\$217,712,829	\$34,313,414	\$38,032,716	NA
Prior Year %	\$167,245,098	\$21,773,855	\$36,718,701	NA
% Change	29.9%	57.4%	3.5%	NA

Agency Participation: one final possible metric that can be used to measure campaign success is the percentage of agency participation. Since these campaigns are mandated by the legislature (or the Congress) but not enforced, the level of agency reporting also speaks to the ease of reporting and purchasing processes put in place by each campaign.

Table 12 contains a summary of the reporting/participating agencies in each program and the overall agency participation percentage (note that all of North Carolina’s reporting were done online). No federal data is available, in part because GAO found that the many federal procurement systems are generally not designed to track RCP purchases. This is especially true of those made through contracts (which account for at least 90 percent of federal procurement dollars), or with federal purchase cards (which are used like credit cards), or by grantees.

Table 12. Summary of Reporting/Participating Level for Each Campaign and Overall Participation Percentage.

	CA (2000-2001)	MA (as of 1997)	NC (2000-2001)	Federal (GSA)
# Reported	110 of 145	NA	167 of 219	NA
% Participation	76%	NA	76%	NA
% Prior Year	81%	NA	85%	NA

3.4 Observations

The State of California, by the nature of its size, population, and activities, is unique among the United States. The volume of goods and services that it procures annually is one of the largest, if not the largest among the states. This places California with some larger economies and governments of the world. The SABRC is one of the seminal state programs to address RCPs. At times, this program led even the federal government’s efforts in putting forth mandates regarding RCP procurements. The comparison of the SABRC with the campaigns of other states, as well as the federal efforts, yielded the following observations:

ABRC Achievements

- The SABRC compares well with other programs that have achieved RCP procurement success. It leads in some areas and trails in others.
- California, specifically the SABRC, leads all of the states in the nation in the dollar volume of RCP purchased, both annually and cumulatively, since the beginning of the program.
- The SABRC leads the states in agency RCP procurement participation in 2000 with 81 percent, and ties with North Carolina in 2001 with 76 percent.
- The SABRC scores well in one particular category: recycled steel, both in dollar volume (\$170 million) and percent of RCPs (94 percent). However, this category is somewhat misleading (all U.S. steel is currently recycled), it is limited as an “achievement.”
- In terms of creation of markets, we believe the SABRC has had significant impacts in the following areas, based on the year-over-year increased RCP volume purchases: steel, paper, compost, solvents, and tire-derived products.

Opportunities for Improvements

- The SABRC leads North Carolina and DoD in percent of overall purchase, but trails Massachusetts.
- The SABRC trails both North Carolina and Massachusetts in recycled paper purchase as a percentage of overall paper purchases, but exceeds its goal of 50 percent volume by about 14 percent.
- The SABRC shows significant year-after-year RCP purchase increases (30 percent), but trails Massachusetts’ 1997 purchases of 58 percent.
- The SABRC may want to re-examine its 11 categories and requirements, specifically paper and paper products, motor oil, and retread tires. Specifically, to increase PC requirements for paper and paper products and motor oils, as well as simplify the requirements for retread tires.
- With the goals of 50 percent dollar volume for a number of product categories within reach or exceeded (Table 13, below), the SABRC may also want to re-examine these categories and adjust its goals for them accordingly.
- The SABRC may want to examine the Commonwealth of Massachusetts’ contract/procurement system, where only products meeting Massachusetts’ requirements are available for contract procurement.

The SABRC’s use of goal-based procurement can be a model for other states that are struggling to increase their RCP purchases.

Table 13. Agency Purchases, Reported RCP Volume and Percentages, and Estimated Actual Volume and Percentages for 2001 SABRC.

Product Category	All Agency Purchases	Reported RCP Purchases	% RCP	Est. Purchases if 100% Reporting	Est. % RCP
Paper Products	\$27,423,365	\$18,673,936	68%	\$23,342,420	85%
Printing/Writing Papers	\$47,421,760	\$30,189,875	64%	\$37,737,344	80%
Plastic	\$17,858,185	\$8,682,862	49%	\$10,853,578	61%
Compost	\$2,660,807	\$2,255,965	85%	\$2,660,807	100%
Glass Products	\$2,133,461	\$601,605	28%	\$752,006	35%
Lubricating Oils	\$1,167,812	\$734,470	63%	\$918,088	79%
Paint	\$2,907,184	\$474,551	16%	\$593,189	20%
Solvents	\$844,308	\$513,995	61%	\$642,494	76%
Tire-Derived Products	\$731,928	\$566,340	77%	\$707,925	97%
Tires	\$5,781,938	\$785,441	14%	\$981,801	17%
Steel	\$169,169,793	\$164,553,243	97%	\$169,169,793	100%
TOTAL	\$278,100,541	\$228,032,283		\$248,359,444	

Task III. Effectiveness Of SABRC Program Elements

4.0 Design: Program Goal and Product Categories

4.1 Goal Management

The legislative purpose of the SABRC is to expand markets for the materials resulting from the diversion of 50 percent of the waste stream from California landfills as required by the California Integrated Waste Management Act (IWMA). The legislation originated from the passage of AB 4 (Eastin, Chapter 1094, Statutes of 1989) and AB 11 (Eastin, Chapter 960, Statutes of 1993). To accomplish this purpose, the SABRC program goals are to:

- (1) Develop markets in partnership with the diversion efforts of the IWMA.
- (2) Develop markets for materials diverted by AB 75 (Strom-Martin, Chapter 764, Statutes of 1999).
- (3) Create markets for products manufactured with diverted landfill materials.
- (4) Implement mandates by assisting State agencies in purchasing compliant products.

At this time, the active program is focused on goal 4: assist State agencies in fulfilling SABRC mandates. In this effort, the program measures progress toward goal 4 through the following indicators:

- Statistical analysis of annual purchase reports.

- Tabulation of the number of organizational trainings.
- Examination of agency SABRC purchase dollars and the accuracy of these figures.
- Verification of product content through certifications.

While the current program is actively focused on goal 4, it fails to adequately address the first three goals. If the SABRC is to achieve its intended legislative purpose, then a critical element to incorporate into the program design are the first three goals so that their progress can be measured.

Improvement Opportunities

- Incorporate legislative program goals 1, 2, and 3 into program. Program goals 1, 2, and 3 can be incorporated into the SABRC by developing progress indicators. A hypothetical model for this effort is:

Table 14: Incorporating All Legislative Goals into Program

Goal	Landfill Diversion Effort (hypothetical)	Progress Measure
1	IWMA identifies 30 materials to be diverted from landfill stream	What percent of SABRC purchasing or product categories reflect IWMA diversion materials?
2	One of the top 10 materials IWMA diverts from landfill: re-tread truck tires.	What percentage of State agencies purchase retread passenger or truck tires?

4.2 Product Categories

4.2.1 METHODOLOGY

Effectiveness For Determining Categories (SOW 1)

Program Level Methodology

A senate Solid Waste Task Force determined the product categories of the SABRC in 1991. At that time, the components of landfill waste were analyzed, the current industry technology reviewed, and waste stream materials that could be recycled into products identified.

Since the RCP categories were established more than 10 years ago, an update is in order. An analysis of current waste stream materials as well as a review of the technological advances over the last decade may illuminate necessary modifications to the product categories. An analysis of current industry standards might determine a need to conduct updates in the following areas:

- Add categories that reflect current landfill problems. (For example, information technology waste (e-waste) products have grown over the last decade, and while the SABRC currently captures toner cartridges, there may be new products that are not subject to elimination through the SABRC cost/technology caveat.)
- Remove categories that are no longer problematic in the landfill stream. (For example, some waste materials have become part of a well-developed recycling business infrastructure and are no longer are in need of program support. For instance, steel should be eliminated as a category since all U.S. manufactured steel satisfies SABRC requirements).

- Modify product requirements based on technological advances and basic industry level standards (for example, percentage of postconsumer content in some products could be elevated).
- Provide incentives/credit for buying recycled products that contain more than the required minimum content, that is, copy paper with 50 percent PCC or toilet issue with 20 percent PCC and 100 percent TRC.
- Develop better methodology to account for the recycled content in composite or multiple materials.
- Take preventative action to identify emerging landfill problems. Identifying materials that are increasingly becoming a problem would allow the SABRC to promote the purchasing of RCP products that will dampen the problem. In addition, it will provide the necessary information to provide suggestions for new RCP products to the business community to alleviate the emerging problem.

In addition to reviewing the product categories based on the current waste stream and technological standards, a schedule that regularly reviews these factors would improve the effectiveness of the program.

Improvement Opportunities

The methodology for determining the SABRC's categories must incorporate a reiterative process. This process would improve the effectiveness of the program by ensuring that the product categories are updated on a regular basis to reflect current and emerging landfill problems. The following steps will improve the effectiveness of this methodology:

- Update Product Categories. Repeat task force analysis of 1991, as a Board-led process that includes the involvement of public input, with the goal of modifying categories if necessary: analyze components of landfill waste to determine which waste materials are the largest problem, review current technology, and identify which of the larger streams can be recycled and made into products.
- Create a reiterative time schedule for updating product categories. This schedule must reflect the following:
 - o The composition of landfill waste stream.
 - o Technological advances that influence industry standards (for example, percentage of postconsumer material).
- Include a broad stakeholder group in product category revisions. Stakeholders to include are suppliers, manufacturers, and the wider business community. These groups can provide knowledge of existing products that meet current RCP needs, as well as product suggestions to meet emerging RCP needs. These issues could be introduced within the recent SABRC effort to dialogue with stakeholders in the supplier workshop initiative.

Staff Level Methodology

Some purchasing officers find that determining which category a product falls into is difficult and confusing. Many items contain multiple materials, and visually determining the correct category is a subjective decision fraught with indecision and user error. Another problem is that there are some categories in which the RCP products are abundantly available and others where meeting the 50 percent purchasing quota is virtually impossible. A related problem involves meeting the

various “postconsumer,” “manufacturers waste” percentages which purchasers and suppliers/manufacturers also find confusing and overwhelming.

Improvement Opportunities

Modify Categories Percentages: A majority believes that the product category requirements are too burdensome, and that modifying them to more accurately reflect agency needs would improve compliance. Suggestions to modify product purchasing include:

- Eliminate the 11 product categories in favor of an overall procurement that is 50 percent RCP-compliant.
- Restructure product categories so that items of composite nature are captured in a less subjective manner. In essence, reduce the number of categories so that more products fit in each category or eliminate “composite products” as itemized products.
- Eliminate extraneous RCP characteristics and stipulate only the most relevant RCP characteristic (for example, only require purchasers to review “postconsumer” percentage content requirements).
- Stagger “Vary” category percentages in accordance with specific category:
 - o Some purchasing officers suggest that if the mandates were 100 percent required, then everyone would participate with less pushback. Certain categories could be reviewed where past and repeated purchasing history substantiates a 100 percent purchasing mandate.
 - o Remove the 50 percent across-the-board stipulation and establish purchasing percentages based on market availability.

* This is a particular need for plastics. Requirements by specific plastic types is an opportunity to address this issue.

*Of course, caveats allowing exceptions are essential.

4.2.2 CONTENT

Effectiveness of Total Recycled Content (TRC) Versus Postconsumer Content (SOW 2)

For RCPs, the recycled content components are characterized in terms of the origins of the “recovered materials” portion or portions used in their production. Generally, the sources of the recovered material are classified as “postconsumer” (PC), or “post industrial” (PI) content. Together these components comprise the total recycled content (TRC) of the product. Table 15 on the next page summarizes the RC and PC content requirements of the SABRC categories. Requirements of other programs are included.

Table 15. Summary Comparison of the SABRC and Other RCP Procurement Programs' Product Category Requirements

Product Categories	CA Requirements	MA Requirements	NC Requirements	Federal (EPA) Requirements
Paper Products	50% TRC 10% PC	100%RC 5%+PC	100% PC	20% RC 60% PC
Office Paper	30% PC	30% PC+	20% PC	30% PC
Plastic Products	50% TRC 10% PC	50% RC 8% PC	10% PC	50% RC 8% PC
Compost	50% TRC 10% PC	Varies	No Guidelines	100% RC
Glass Products	50% TRC 10% PC	100% RC	No Guidelines	75% PC min
Lubricating Oils	50% TRC 10% PC	25% PC	25% PC	25% PC
Paint	50% TRC 10% PC	No Guidelines	No Guidelines	50% RC 20% PC
Solvents	50% TRC 10% PC	No Guidelines	No Guidelines	No Guidelines
Tire-Derived	50% PC	No Guidelines	No Guidelines	75% PC
Tires	50% TRC 10% PC	Recommended	Recommended	Recommended
Steel Products	25% TRC 10% PC	No Guidelines	No Guidelines	25% RC 16% PC

Current Practices

Federal Agencies

Section 6002(e) of RCRA requires U.S. EPA to designate items that are or can be made with recovered materials. It also requires U.S. EPA to assist federal agencies responsible for procurement in meeting their obligations with respect to designated items under RCRA section 6002. After U.S. EPA designates an item, RCRA requires that each procuring agency, when purchasing a designated item, must purchase that item composed of the highest percentage of recovered materials practicable. RCRA section 6002(e) requires U.S. EPA to consider the following criteria when determining which items it will designate:

1. Availability of the item.
2. Potential impact on the solid waste stream of item procurement.
3. Economic and technological feasibility of producing the item.
4. Other uses for the recovered materials used to produce the item.

Executive Order 12873 established the procedure for U.S. EPA to follow in implementing RCRA section 6002(e). Section 502 of E.O. 12873 directed U.S. EPA to issue a Comprehensive Procurement Guideline (CPG) that designates items that are or can be made with recovered materials. Along with the CPG, U.S. EPA must publish its recommended procurement practices

for purchasing designated items, including recovered materials content levels, in a related Recovered Materials Advisory Notice (RMAN). The Executive Order also directs U.S. EPA to issue RMANs periodically to reflect changing market conditions.

State Governments

For state-level procurement, the State of North Carolina Sustainability Mandate dictated that the state agencies must purchase recycled-content and environmentally preferable products. An Executive Order issued in the early 1990s required that all paper purchased by the state must meet U.S. EPA's guidelines for recycled content. North Carolina tracks its recycled paper purchasing progress through the dollar amount spent, or percent of dollars allocated for paper purchasing, as well as other RCPs. The paper requirement is the only specific quantitative mandate regarding recycled-content products for State agencies—the mandates are less specific for other product categories, but North Carolina's purchasing generally follow U.S. EPA's procurement guidelines for PC, as well as TRC where applicable.

For the Commonwealth of Massachusetts, the Operational Services Division (OSD) works jointly with the Executive Office of Environmental Affairs and Department of Environmental Protection to designate product specifications for recycled content. OSD also designates specifications for toxic waste reduction or other waste reduction requirements for products. Procuring departments are required to follow the mandatory purchasing and specification requirements whenever feasible. Departments are also encouraged to establish evaluation criteria for selecting RCPs whenever feasible. OSD has the authority to establish statewide contracts for each of the products or product categories containing PC, and executive departments are required to use these statewide contracts.

Comparison of TRC and PC

TRC

The requirements for TRC were intended in part to address the issue of products being labeled “recycled” or “recyclable.” The requirements were credited by U.S. EPA's RMAN discussions as having a significant role in increasing awareness and demand for RCPs. In the early stages of the SABRC, the requirements for TRC also helped to focus manufacturers on the development of their products, and probably guided the development of some products that exist today. But conversations with procurement officials and manufacturers indicate some confusion with this requirement, as well as concerns by procurement officials over the variations in the percentages of PC and RC that can result.

PC

As summarized in Table 15, aside from paper and steel product categories, plastic and paint products are the only other SABRC-designated categories that also received U.S. EPA-designated PC content requirements. In the case of the SARBC's overall RCP results, the requirements are directly linked to the availability of these products in California.

TRC or PC

In terms of effectiveness in increasing recycling and setting standards for products, the requirements for postconsumer and/or postindustrial content requirements have been very effective for all programs. However, TRC requirements by procurement programs can be directly linked to the increased use of recovered materials and increased availability of products with PC in the market. Therefore, moving forward, the SABRC should consider using PC content requirements as its primary tool, but TRC should be used where it also makes sense.

4.2.3 PERCENTAGES

Effectiveness of Different Product Percentages (SOW 3)

As discussed, the PC percentage requirements for different products by the SABRC have been very effective overall. Prior to the availability of U.S. EPA's guidelines on certain RCP products, some state buy recycled programs set their own requirements for products, including paper, until U.S. EPA's RMAN on these products became available. More recently, however, most RCP purchasing programs tend to follow U.S. EPA-established guidelines for recycled content percentage, with a few notable exceptions, including some SABRC categories.

In summary, the requirements for different percentages of PC for products—and the appropriateness of such requirements—varies with the product categories and products. This will require a systematic product-by-product evaluation. Regarding to the SABRC's current requirements for the 11 categories, the following observations can be made:

- Paper Products: The SABRC's PC requirements may be low—some campaigns currently have higher PC requirements, including North Carolina's.
- Office Paper: The SABRC's requirements are in line with other programs, including U.S. EPA's. However, other programs, including the one in the City of Portland, Oregon, have been able to identify and use products with higher PC. This indicates that there may be a near-term opportunity for the SABRC to set new leadership levels.
- Plastic Products: The SABRC's requirements for recycled plastic products remain higher than those set by U.S. EPA and other programs, indicating these are still leadership levels. Opportunities for leadership are with the other products—CIWMB is still at leadership levels in plastics. The only improvement for plastics would be requirements by specific plastic types (corresponding to recycling numbers).
- Compost: The SABRC requirements are higher than those of the Commonwealth of Massachusetts, but they are lower than the current U.S. EPA level. This may be another near-term opportunity for requirement change.
- Glass Products: This is another category where the SABRC requirements are lagging behind those of U.S. EPA and Massachusetts, and could be another candidate for near-term change.
- Lubricating Oils: A candidate for modifications since most programs require 25 percent PC. The SABRC requires 10 percent.
- Paints: The SABRC may want to consider changing the PC requirements for this category as well. U.S. EPA recommends 20 percent PC. The SABRC requires 10 percent.
- Solvents: The SABRC currently leads other programs in requirements for this category.
- Tire-Derived: Simplify requirements and model after other programs that do not use a PC percentage.
- Tires: The SABRC requirements are more specific—other campaigns are simply requiring retread tires, which accomplishes the same purpose. SABRC could consider RC content in tires and increase passenger tire requirements. Requirements for long-life tires is uncharted territory. Since the CEC is looking at combining long-lasting tires with low rolling resistance, a simple requirement on long-life tires may also affect their fuel consumption. The fuel consumption is an issue that would need further evaluation.

- **Steel Products:** The SABRC may want to consider dropping this category since overall U.S. manufactured steel contains significant postconsumer recycled content and it is difficult to document specific content batch-by-batch.

Thus, one possible strategy for the SABRC going forward, if it chooses not to use U.S. EPA RMANS, may involve a careful evaluation of selected categories and products. The SABRC can set new specific goals in order to increase both agency compliance as well as market support for these products.

Note that the current reliance by some campaigns on the U.S. EPA-designated guidelines for RCPs for some products can create a “good-news/bad-news” situation. This means a marked increase in availability and perhaps procurement of products meeting these guidelines. However, this increase also has the effect of reducing the incentives for manufacturers to offer, or for purchasers to seek out, products that exceed the established guidelines. This creates more of a challenge for some RCPs to break out of their niche.

5.0 Outreach: Strengths and Improvement Opportunities

Outreach Toward State Organizations (SOW 5)

5.1 Staff-to-Staff Interactions

5.1.1 PURCHASING PERSONNEL AND THE BUY RECYCLED GROUP

Strengths

The buy recycled group is overwhelmingly well regarded by the State agency program contacts with regard to their staff-to-staff interactions. Interactions are characterized as courteous, informative, and exceptionally quick with regard to response time for inquiries, assistance in resolving problems, and requests for program material or training needs. As one purchasing officer enthusiastically stated:

“The Buy recycled staff is great. They provide good ideas, they listen and are very approachable. They treat us like ‘team members’ which is really nice.”

Another positive element in the buy recycled group’s interactions with the agency contact is their ability to keep them abreast of program requirements, updates and changes. The vast majority of purchasing officers were particularly appreciative of the groups’ attention to sending timely reminders of approaching deadlines and attaching any relevant forms to e-mails. These efforts assist the contact to stay focused and organized on the SABRC amidst a sea of other programmatic responsibilities. While the vast majority of purchasers find the time reminders helpful, a very small minority finds them paternalistic and annoying. This minority of purchasing officers maintain that they are “well aware of their responsibilities” and do not need to be reminded of them.

Improvement Opportunities

Expand Outreach to Decision-Makers: Other Agency Personnel

The majority of SABRC agency contacts understands and is trying to promote the buy recycled effort. The majority viewpoint is that additional outreach to SABRC contacts—who are already trained and aware of the program—will produce a minimal effect. A more effective use of resources may be to expand outreach to others involved with purchasing. The perception is that awareness and training has effectively reached first and some second-tier level buyers, and that

the key to any further enhancement to compliance depends on the program outreach recognizing and adapting to the chain-of-command involved in purchasing within State agencies.

The purchasing chain-of-command in any given agency involves many individuals and sometimes entirely separate units. These units may be located within the central agency or at a geographic distance. Moreover, each of these units often has several purchasing officers who solicit their own bids and who may or may not be aware of SABRC requirements. In addition, field staff is often highly restricted by local retailers who may not offer RCP options. The reality of this chain-of-command is that the SABRC contact is only one of many, many players. And, these contacts are often obliged to purchase what others within their division request with little or no influence over the final purchasing decision. The actual decision-maker for agency purchases is often not the SABRC contact.

As the SABRC contact at each agency becomes trained and aware of the program, the natural progression for the program is to continue becoming part of the purchasing chain-of-command beyond this first level of agency contact. An effective enhancement to program compliance depends on extending outreach beyond the SABRC contact to all those involved in purchasing decisions including agency management, agency purchasing officers, unit purchasing officers, and regional support/field staff, among others.

Identify and Resolve Mitigating Factors of Non-Implementation

While the majority of State agencies are implementing the SABRC program, the findings of this study suggest that a minority are not. An agency may not be implementing a program because it has not appointed an SABRC contact, the contact is too busy to integrate the mandates, or the agency is unaware of the program. A continued effort on the part of the buy recycled group is needed to make staff fully aware of the existence of SABRC, its purpose, and reporting requirements among all State agencies. Any mitigating factors need to be identified and resolved to enhance the widespread adoption of the program.

Include SABRC Information in New Employee Packets

Another consideration to make program outreach more effective is to make certain that SABRC information is part of the new employee packet for all personnel with purchasing responsibilities.

Expand Outreach to Industry Stakeholders: Vendors, Suppliers, and Manufacturers

Program outreach will be improved by expanding to industry stakeholders. SABRC contacts believe that vendors, suppliers, and manufacturers will help with the SABRC mandates. But some are unclear what the program requires from them, and they are becoming very frustrated with the process. Out-of-state vendors are particularly unclear about the program. In some cases, even the basic definitions inherent to the program are major stumbling blocks.

“Some vendors ask ‘What is RCP?’ ”

To expand the outreach to industry stakeholders, SABRC agency contacts suggest informational literature targeted to the vendor/manufacturer community that explains the program and their associated responsibilities. The preferred format is a one-page document that is brief, concise, easy to understand, and available in both electronic and hard copy version to send by e-mail, U.S. mail, or fax. Since such an informational item already exists (as part of the training materials provided to the agency contacts), perhaps it does not adequately address the needs of the vendor/manufacturer community and requires modification. The item may simply need to be highlighted to agency contacts in trainings or e-mails.

Supplier Workshop

A recent addition to the SABRC program is a suppliers workshop. The buy recycled group initiated this outreach in response to requests by purchase officers to clarify program understanding among companies doing business with the State. The first workshop took place on December 3, 2002. The agenda was to increase supplier awareness regarding the SABRC requirements and to explain the relationship between two government programs, EPP and the SABRC. These programs help suppliers learn how to do business with the State and better understand three other DGS preference programs that may be a win-win-win with SABRC (that is, Small Business, DV, etc).

A forum that facilitates an exchange of information/ideas between government and business perspectives would enhance the supplier workshop. Such a forum would enable communication regarding landfill waste reduction needs, products that already exist on the market that could satisfy these needs, and opportunities to initiate future product manufacturing to meet landfill reduction needs. It could also facilitate dialogue on techniques to streamline the purchasing process (for example, SABRC could provide logo or certification number to manufacturers to put on products).

Expand Outreach to Local Government and Government Consultants

SABRC outreach should be expanded to local governments and government consultants (for example, architects, design professionals). Some local government agencies are more active or have a longer history in buy recycled efforts, and they may offer improved program design models, processes, and implementation techniques. Government consultants, such as architects and design professionals, are key partners to involve. They contribute to decisions concerning basic design, construction, and maintenance of State buildings; therefore, architects are an integral part of State purchasing.

5.1.2 MANAGEMENT AND THE BUY RECYCLED GROUP

Effectiveness Of Communication (SOW 10)

The buy recycled group has been partially effective in communicating to State agency management the need to recognize the buy recycled purchasing requirements. In some cases, communication has been very effective. Management demonstrates their support of the buy recycled effort by sending their business purchasing staff to training meetings, encouraging staff to comply with the purchasing and reporting obligations and providing the necessary resources to implement the program.

Far more frequently, however, management is unaware, indifferent, and ultimately unsupportive of the SABRC. In these situations, management does not provide adequate staff resources, nor do they allow personnel with SABRC responsibilities the necessary time to fulfill their buy recycled obligations. In addition, management sometimes works in direct opposition to SABRC purchasing requirements. For instance, management may request the purchase of non recycled-content products and refuse to allow substitutions. In these situations, SABRC coordinators find themselves in dispute with management over these purchasing decisions.

Ultimately, management support is key to implementing the program. In the majority of cases, agencywide procedural and policy changes are often necessary to properly implement the purchasing mandates. Without the support of management these changes do not occur. SABRC contact does not usually have responsibility for these policy changes, so the SABRC program is not effectively implemented.

Improvement Opportunities

Create a Higher Profile for SABRC

As discussed previously, management support is one of the main factors to the successful implementation of the SABRC. To increase management buy-in to the program, the SABRC communications must create a higher profile for the SABRC. Strategies to raise the profile of the SABRC include:

Upper management SABRC training and responsibility

- Model SABRC/waste reduction policy.
- Training workshop to change attitudes and awareness.
- Assign responsibility to director to enforce the SABRC.
- DGS representatives should be present at buy recycled quarterly meetings

Management-to-management SABRC communications:

- Letter from Governor's office to agency directors/management and staff in support of buying RCPs and SABRC requirements.
- Executive Order from the Governor. An executive order similar to the ones issued in support of the Small Business (SB) and Disabled Veteran Business Enterprise (DVBE) programs. These executive orders led to the creation of full time agency positions for the SB and DVBE programs. The success of the SABRC would be enhanced with a full-time agency position responsible for its mandates at each State Agency, instead of SABRC responsibilities being delegated to a staff person who is already busy with other job duties. Both the SB and DVBE programs employ full-time SABRC staff.
- Meeting between a DGS director or CIWMB Board Members and agency directors.
- Joint letter from DGS director and CIWMB Board Members to agency directors.
- Memo from State agency directors to staff with purchasing responsibilities, emphasizing management's support of the SABRC and the agency's compliance.
- Memo from DGS director and CIWMB Board Members to agency directors reminding them of the agency reporting obligations and due dates.
- Agency board/director adopt buy recycled/waste reduction policy and communicate expectations to staff.

To make the strategies above as effective as possible, directors and management must be initially contacted by the equivalent level personnel (for example, a Board Member).

To expedite the management-to-management communications, the buy recycled group could draft correspondence and send it to the appropriate parties. These appropriate parties include the DGS and CIWMB individuals that will sponsor the meetings and letters with the State agency directors/management. In addition, a draft memo could be sent to State agency directors/management for them to circulate among their agency personnel.

Annual Follow-Up Letter: Include Agency-Specific Purchasing Suggestions

One of the current methods used by the buy recycled group to enhance awareness among the State agency's management is an annual follow-up letter. These letters detail the performance of the agencies with regard to the SABRC. The letters then go to the superiors of the agency's SABRC contact. The letters have proven to be an effective tool to engage communication with the executive directors of agencies. This engagement provides the opportunity for management to become aware of the program. It allows management to better understand the importance of staff training and time requirements for submitting the annual report.

While these letters are proving to be an effective tool in bringing attention to the SABRC at a management level, many purchasing agents believe they can be improved at a staff level as well. For instance, instead of a simple "Thank you for submitting your report on time" the letters identified specific suggestions that would increase that particular agency's compliance. Then the letters' program value would be greatly increased. (For example, "To increase your RCP percent in this category, consider the following products to meet your 50 percent goal.")

In a minority of cases, the letters have created a loss in credibility for the SABRC. In these situations, the letters advised agency directors that their purchasing officers were not fulfilling the purchasing requirements in certain product categories. An investigation revealed that the agency had not purchased any commodities in the stipulated categories. Procurement officers asked rhetorically:

"Should we purchase items in every 11 product categories, even if we don't need them?"

These few incidents are clearly an oversight on the part of the buy recycled group or of the agency contact, but they bear attention to avoid repetition of such events in the future.

5.2 Information Tools

SABRC information is communicated through a variety of outreach tools. These tools reflect one of the main strengths of the SABRC, which is the buy recycled group's continual effort to improve them. As the following discussion shows, the program is evolving to better communicate information, meet users' needs, and upgrade outreach tools accordingly. The following discussion examines the program information tools accordingly:

- Resources (publications, Web site, product library).
- Meetings (buy recycled quarterly meeting, annual Recycled Product Trade Show).
- Training (classroom and on-site).

RESOURCES

5.2.1 PUBLICATIONS

Effectiveness in Conveying SABRC Information (SOW 6)

Strengths

The existing SABRC publications are considered by purchasing officers to be very effective in conveying buy recycled and compliance information. In particular, they are perceived as very informative, easy to understand, and well written.

Improvement Opportunities

The existing publications, while considered favorably, are not meeting all the needs of staff. Some current needs, such as modifications to the distribution process and the creation of additional publications, would be better met with some minor adjustments. The distribution should be increased beyond the SABRC agency contact to a wider audience by targeting all those involved with purchasing decisions. The development of additional publications would allow the SABRC contact to more directly influence purchasing processes. To improve distribution of buy recycled and compliance publications, we suggest making the following adjustments:

Modify Distribution

- Increase the distribution to a wider agency audience. At this time, SABRC publications are principally circulated to the SABRC contact at each agency. The SABRC contact, however, is not necessarily the one making the purchasing decisions.

Develop Additional Publications

- Categorized lists of compliant products and their supplier contact information.
- Publications for purchasing officer to distribute to staff and management:
 - o Drop-in clauses for contracts.
 - o Policy communications for distribution within agency.
 - o Sections to add to employee handbook.
 - o Suggestions of purchases that would increase their agency's compliance.
 - o Memo to send to director highlighting that the SABRC contact has authority to advise people to purchase RCPs.
- Publications for purchasing officer to distribute to vendors, suppliers/manufacturers:
 - o 1-page information sheet detailing why data is being captured, RCP definitions, and vendors/suppliers or manufacturers requirements (electronic and hard copies for faxing, posting or e-mailing).

5.2.2 WEB SITE

Web Site Effectiveness in Conveying Buy Recycled and Compliance Information (SOW 7)

Strengths

The Web site is considered effective in conveying buy recycled and compliance information. In particular, the Web site is considered effective in providing information on the following:

- Responsibilities of each SABRC agency contact.
- Program forms (in a downloadable format).
- Success stories (in the FAQ section).

Upgrading

Web site upgrades that are currently in progress should increase the effectiveness of conveying information. These upgrades include adding a learning tool to make the Web site more user-

friendly, with product specific information and certification forms associated with 5,000-6,000 SABRC-compliant products.

In addition to revisions to the SABRC Web site, there is a continued collaboration with the CIWMB-RCP Web site to incorporate a secondary site that will feature SABRC-compliant products. This new site is scheduled for the Fall of 2003.

Improvement Opportunities

The Web site will be improved by adding the following product information tools and improving user-friendliness.

Product Information Improvements

Database of SABRC-Compliant Products: The creation of a database that is a sub-section of the RCP database and that has a direct link from other Web sites (for example, DGS homepage, each agency's home page) solely dedicated to SABRC-compliant products is key to the effective implementation of the program. This is a resource that is essential to providing the necessary information to those who must implement the purchasing mandates. Without this readily available information, people are at a loss what to buy. This database is key to making the SABRC easy to implement, which is critical to its success. A key feature of this database is that it is navigable by product category, vendor/supplier, and manufacturer.

The SABRC-compliant products database would also include the contact information for vendor/supplier/manufacturer of the compliant products. At this time, many SABRC contacts have created their own databases of products. This is an extremely inefficient expenditure of staff time, because each is repeating the efforts of others. By storing the database at a central location, it will increase the efficient use of time by eliminating the duplication of efforts. Since some agencies have already created these databases, they could help make the process more efficient by sharing their work during the creation of this centrally located database of SABRC compliant items.

Centralized Location for Certifications: As mentioned above, this is a current upgrade being undertaken by the buy recycled group. A centralized location where certifications are available will help fulfill current reporting requirements and will be a huge improvement over the current process. Obtaining certifications from suppliers/manufacturers is a major stumbling block at this time. A centralized resource for the certifications is a much more efficient and effective use of staff and supplier time and resources.

Purchasers also would like to see direct links between the certifications and the products to which they are associated in the database of SABRC-compliant items. Certifications should be obtained directly from the product manufacturers by a centralized DGS or CIWMB contact, instead of through the numerous agency procurement staff. Centralizing the certification process will eliminate the repetitive and redundant process that is currently in place. Currently, suppliers and manufacturers must process multiple certification requests from purchasing agents who are requesting the same certifications.

User-Friendliness Web Site Improvements

The addition of a few simple features, listed below, would drastically improve the user friendliness of the Web site:

Better Searching Capabilities: One of the main problems with the current Web site is that searching for information requires maneuvering through the site until the desired information is

found. This is a very time-consuming process that could be avoided with the addition of better searching capabilities such as a “keyword search” mechanism.

Improved Site Map: A map that allows a quick overview of site information.

SABRC Products Section: A section where customers share experiences with compliant products provides supplier links to the products discussed. This section would also highlight “featured” products (for example, new on the market, compliant with more than one statute).

Other Improvements

- Add a training video.
- Highlight FAQ success stories: A substantial number of State purchasers are unaware that success stories are included in the FAQ section of the Web site. A memo to State purchasers letting them know where to find this feature would enhance the Web sites conveying product information.

5.2.3 PRODUCT LIBRARY

Strengths

The product library houses a number of RCPs and is open to staff by request. The individuals who have visited the library find the variety of purchasing ideas presented helpful in their search for new products. The model demonstrations illustrating little physical or performance difference between RCPs and their virgin equivalents are also very effective in convincing those who have been unwilling to take a risk on the alternative to switch products.

Improvement Opportunities

While the library offers a number of purchasing ideas and effective product demonstrations, it is poorly marketed. A substantial number of agency staff and management are unaware that it exists and of those that have heard of it, many do not know where it is located. To increase the effectiveness of the product library, the following are suggested:

Increase Marketing: To improve the visibility of the library, its purpose, content, location, and rules of visitation should be communicated to internal audiences through a general memo, trainings, reference material, and relevant Web sites (for example, DGS, CIWMB, SABRC). This information could also be posted to external relevant audiences such as design professionals and other businesses with whom the State does business.

Develop Cooperation with Business Community: An external outreach with the business community would allow them the opportunity to enhance the library’s assortment and performance samples with models that are specific to major categories of agency needs. This would also provide timely viewing of any new products emerging on the market.

Provide Regular and Customized Tours: The value of the product library would be further enhanced with regular and targeted tours to various agencies. Regular tours could be organized and general invitations sent out to all personnel with purchasing responsibilities. Customized tours would be focused on agencies with a low SABRC compliance. A customized tour of the library would focus on the purchasing needs of that particular agency.

Create a Virtual Library: A virtual library with an online and updated inventory would increase its usefulness to those that are geographically distant or who are unable to visit the library in person due to time constraints. The virtual library would allow quick “visits” so that purchasers can obtain updates on any changes or new products in the library.

Case Studies: Create showcases of successful experiences with SABRC-compliant products. Case studies detailing product performance measures and successful customer experiences including cost savings, landfill success measures, and ecological and economic impacts would add value to the product library. (See section 3.12)

Provide Sample Products Kits: The availability of samples of products that are under consideration would allow purchasers to test the items before committing to any major purchases. Existing and available samples could be listed online and divided by category, including the necessary supplier/manufacturer ordering information. Additionally, the buy recycled group would organize and make available sample kits at the product library for periodic checkout.

Meetings and Training (SOW 8)

SABRC agency contacts appreciate the buy recycled quarterly meetings (BRQM), trade shows, and training meetings because they are informative, enjoyable, well-managed, and they provide a much needed opportunity for networking among peers.

“Everything they (the buy recycled group) do is very well-organized and fun.”
(Purchasing Officer, 2003)

5.2.4 BUY RECYCLED QUARTERLY MEETING

Strengths

The BRQMs are highly regarded among both old and new staff, who consider them beneficial educational forums for learning about the buy recycled program. The meetings cover updates, reporting obligations, and upcoming due dates. They have also become a valuable resource for buyers to share product experiences and information. The meetings are valuable for networking and problem-solving.

Improvement Opportunities

Improved Agenda Format: The main criticism of the current format of the BRQMs is that questions are permitted throughout the meeting. Some attendees feel it is a waste of their time to listen to discussions that are not pertinent to their agency needs. To address this issue, we suggest the following modifications to the current format to maximize time-effective participation:

- Discussions/question-answer periods are permitted only at the end of the meeting or speech.
- The meeting is videotaped and/or summarized. The videotapes and summary notes are made available physically and online to individuals who want to focus on only part of the meeting, who have conflicting appointments, or are otherwise unable to attend at the scheduled time due to geographic or other concerns. Given constraints on resources, the videotapes and/or summaries of meeting minutes may be made available in an unedited form.

5.2.5 TRADE SHOW

Strengths

The majority of purchasing officers appreciate the Recycled Product Trade Show, and they find it helpful and informative because it provides new purchasing ideas. The show allows interaction with exhibitors who answer questions with knowledgeable and informative responses.

Improvement Opportunities

Highlight Exhibitors with SABRC-Compliant Products: State purchasers have a limited amount of time to wander through the trade show searching for products that meet their agency's purchasing needs. Purchasers' time would be more efficiently spent and productive if exhibitors of SABRC-compliant products were easily identifiable and accessible. To highlight these exhibitors, the trade show organizers should create the following:

- A floor plan that groups all SABRC-relevant exhibitors (for example, in one section or by a specially designed color, divider, or ribbon).
- Trade show flyers and brochures that highlight these exhibitors in a list (for example, by asterisks or color).

Highlight Products that are SABRC-Compliant: Exhibitors could identify their SABRC-compliant products with stickers or markers in their brochures, or directly on the show samples.

Increase Participation of Government Staff through Budget and Training Considerations: The location of the trade show can be a problem for some purchasers. When the trade show is held outside the Sacramento area, as in the 2002 show held at Disneyland (Anaheim, Calif.), many purchasers were not able to attend due to management considerations or restricted budgets. Some ways to address this issue include the following:

- **Obligatory Responsibilities:** If the trade show became an obligatory part of SABRC training, then management would be more likely to approve time off and travel for their agency's SABRC contact to participate.
- **Budget considerations:** An analysis of the locations that house the largest concentrations of agencies or "best cost" conference centers would identify which locations cost the taxpayer the least in government expenditures. Include this explanation on memos and trade show materials to help purchasers argue budget allocation.

Leverage SABRC relevancy: Purchasers suggest that some great ways to enhance the value of the trade show is to:

- Increase the number of vendors/manufacturers with whom the State does the most business (for example, largest volume, number of high price contracts).
- Highlight products that meet other purchasing obligations (for example, Small Business, Disabled Veterans Benefit Enterprise).
- SABRC management also suggests including "exhibiting at Trade Show as a provision in a major state contracts."
- Increase examples of product performance, past customers, and successful results instead of product marketing material.
- Create a method to direct questions to exhibitors when they become too busy during peak hours of the show.

5.2.6 TRAINING

Strengths

Training is considered informative, encouraging, and well organized. Purchasing agents feel that it is particularly effective in conveying that SABRC is a valuable program. The classes also

effectively provide a substantial amount of reference material (for example, manual, brochures), emphasize where additional information can be accessed (for example, Web site, online forms, BRQMs), and communicate that materials are updated on a regular basis (for example, annual update of training manual). The trainings also make clear that the buy recycled staff is available for assistance and to answer questions, and they will readily make office visits to train staff.

Improvement Opportunities

Training Materials

Training Manual Improvements and Additions: Some agencies have had to develop their own training manuals for field offices because the SABRC tools were missing, irrelevant, or inadequately reflected actual purchasing processes. The individual agencies created manuals with sections on implementation mechanisms such as goals, how to capture codes, contracts available, reference sheets for products, and examples on how to implement the program.

- Stand-alone forms: Forms that are available on their own for distribution among support staff (not just as part of the training manual).
- Concise and simple documents that list SABRC terms and provide definitions.
- Case studies.

Implementation Timeline: An implementation tool that would create a more user-friendly training such as a flowchart. This flowchart would illustrate when in the year certain processes should take place and how purchasing, tracking, certifications, and the annual report are all part of the purchasing process. For instance, the timeline would help purchasers to identify when to request certifications. The time at which the certification is requested is also a large determinant of the cooperation from the suppliers and manufacturers. If the certification is requested before an invoice is paid, it will probably be provided in a timely manner. The timeline should specify when the certifications should be requested and received with regard to the purchasing and payment schedule. Such information would have prevented the current crisis over certifications not received.

Manual of Implementation Tools: A manual that provides the tools needed to implement the program would be helpful. It would be separate from the training manual and would detail how and when SABRC implementation occurs. Such a training resource could be entitled “The Tools of SABRC Implementation.”

Support Staff Training Tools: Some purchasers would like more guidance on how to market SABRC internally within their agency. They would like to assist their personnel to better understand the program requirements, but they lack the marketing tools to do so. Items that would immediately improve the support of departmental staff include:

- Displays and guidance for setting up informational presentations from vendors/manufacturers. Displays could include SABRC materials for training departmental support staff (for example, laminated flip charts for quick reference)
- Training videos to distribute to field staff.

Training Processes

Extend Training to Personnel beyond Agency Contact: As discussed previously (section 2.1.1), a number of individuals make purchasing decisions in any given agency. Management individuals are particularly important to the successful implementation of the program and should

be included in trainings, in addition to the SABRC agency contact. Extending training beyond the agency contact will improve the program understanding by all those making purchasing choices.

In addition, concise training modules could be created for the following:

- New employee training (for example, part of new employee packets).
- Other government training programs (for example, SABRC module could be included in the California Acquisition Materials Management Institute [CAMMI] training).

Make Training Mandatory/Encourage Class Participation: Training is very effective when staff attends. But SABRC training, which is not mandatory, often has low class attendance and cancellations. To encourage participation in trainings, recent modifications to the delegation authority policy may be valuable. The delegation authority can now be associated directly to any one individual. This association is based on a variety of considerations, including the training history of that person. Making SABRC training one of the criteria considered for that individual's delegation authority could encourage class participation.

Provide Mentor and Networking Opportunities: Several purchasing officers suggested that a mentor program would greatly improve the current training resources. The mentor program would allow proficient purchasing officers to share their experience dealing with purchasing requirements, teaching good vendor negotiation techniques and reporting obligations, etc. The successful outcome of the mentor program would be to create networking opportunities so that questions can be directed to individuals who have already implemented the program. In this effort, purchasing officers would also appreciate increased presentations from experienced buy recycled buyers.

Create “Best Performer” Agency Models: Another training improvement is to provide examples of “Best Performers.” The buy recycled group could analyze which agencies are doing particularly well, identify what works and why, and then present these models for other agencies to adopt or adjust their methods accordingly. The group could examine particular problem areas and offer solutions; for instance, how to obtain certifications and financial summary reports from vendors/suppliers/manufacturers.

5.2.7 PROPOSED INFORMATION TOOL: CURRENT ISSUES

Current Issues Module: During the interviews, several topics were identified that indicate a section on topics of concern should be part of regular outreach and training. The issues that were identified during this evaluation are:

SABRC is not “environmental” enough: The desire to transform the SABRC product categories from a focus on recycled-content products to one that has an overall “green” and sustainable/environmentally preferable perspective was an issue that was repeatedly expressed among interviewees. While this suggestion has merit, it does not adhere to the purpose of the SABRC legislation, which is to remove material from the landfill/disposal stream. Nevertheless, these two concepts are not mutually exclusive and identifying environmentally preferable products that also meet the recycled-content standards of the SABRC may be a task for the statewide Environmentally Preferable Purchasing (EPP) Task Force—the group that is developing an implementation plan for the State’s new EPP law (AB 498, Chan, Chapter 575, Statutes of 2002). This law requires DGS, in consultation with Cal/EPA, members of the public, industry, and public health and environmental organizations, to provide State agencies with information and assistance regarding EPP. The law was designed so that it does not undermine current buy recycled mandates.

In addition, the Cal/EPA Environmental Management System (EMS) Initiative will assist the agencies within Cal/EPA to integrate environmental management throughout their daily operations as well as strategic planning. An EMS is a simple set of management processes designed to identify, prioritize and improve the environmental impacts of an organization (continuous improvement cycle of plan, do, check, advance). The Cal/EPA EMS Initiative provides a good example of how State agencies may voluntarily and incrementally improve their procurement practices to reduce multiple environmental impacts, in addition to improving their ability to meet their legal obligations under the SABRC.

Role of product categories: Another issue that was repeatedly voiced during the interviews is the perception that the current SABRC “does not adhere to the legislation.” Some purchasers are under the impression that the product categories “go beyond” the intent of legislation and create unnecessary work. The perception is that the legislation only stipulates that 50 percent of total purchases need to abide by the buy recycled criteria. They question whether SABRC staff is “pushing too hard,” creating extra unnecessary work. As a result of this perception, these officers are reluctant to fully support the program, since many believe their overall purchasing already meets the 50 percent legislative quota. To remove this negative pushback from staff, the role that the product categories play in addressing particular waste stream reduction efforts needs to be highlighted repeatedly, since it is not yet fully communicated. One important issue to recognize is that some State agencies may not be accurately reporting their 50 percent quota and that the program management is trying to manage the discrepancy between “performers” and “non-performers” by creating the perception that they are “pushing too hard” in this effort.

Contradictory policies: Clarification of confusing and possibly contradictory policies could be provided on the Web site and as part of training (see section 3.1.1)

Extra credits: Interviewees also identified the desire for the SABRC to take into account efforts that attain the program’s goal of reducing the waste stream but are not among the 11 categories. For instance, purchasers would like credit to be extended to products that are renewable resource purchases, since they achieve the goal of the SABRC but do not fit into any of the product categories.

6.0 Compliance: Challenges and Improvement Opportunities

6.1 Purchasing

Challenge 1: Time Consuming

Searching for Products

Purchasers are frustrated by the extraordinary amount of time they spend searching for SABRC-compliant products. They spend time searching Web sites and catalogues, and they speak by phone with vendors/manufacturers trying to identify options. In some cases, this is a reflection of current market technology; in others, a lack of communication appears to be the culprit. This latter situation is exemplified with the case of a purchasing officer who describes an effort to purchase oil:

“I couldn’t find any re-refined oil. I searched until I was told it is only available in bulk, so I didn’t pursue it. Recently, I found out that Jiffy Lube developed a contract with the State to provide re-refined oil. This information was not on the Web, nor was it provided to us, so no one knew about it. Now, they want to discontinue the contract because no one uses it.”

This same scenario was repeated by several purchasing officers and for a number of products, including paint and retread tires (Michelin retreading plant). The purchaser’s frustration turned to

irritation when they discovered that the products were readily available, but that the appropriate information was not efficiently communicated.

Balancing SABRC With Other Job Responsibilities

Purchasing officers have core responsibilities to fulfill in addition to Legislative purchasing obligations, and the time they can devote to purchasing is limited.

“On average, there are 30 purchase orders in my in box every morning. My goal is to place the orders as quickly as possible, so that I can pursue my other job responsibilities. If each item requires 3 minutes to order, that is 1.5 hours out of my workday. If, however I choose to verify that some of these purchase orders are SABRC compliant, then it takes much longer. I have to research the product; if it is not compliant then I have to find an alternative. Then I have to confirm with the individual who placed the original purchase order that the substitute is acceptable. This process will take an optimistic minimum of 45 minutes. If I verify just half of the purchase orders in any one day, 10 hours out of my workday will have been spent and I haven’t yet carried out my other job responsibilities. There simply are not enough hours in the day for that type of demand on my time.”

Duties in addition to SABRC

Table 16 lists some of the other job responsibilities of the SABRC agency contact. A purchasing officer may be assigned anywhere from two to nine of these additional duties, which adds up to the need for an entirely separate position. Some of these duties are also quite demanding in terms of time for implementation and reporting obligations.

Table 16: Purchasing Officer Duties in Addition to SABRC

Disabled veteran advocate/liaison	Forms and records management
Small business advocate/liaison	General troubleshooting
Waste reduction advocate/liaison	Moving coordinator
Recycle coordinator	Office supply contract
Procurement analyst (major procurements)	Parking coordinator
Contract processing	Space management
New projects coordinator	Telecommunications
Equipment inventory	Upward mobility committee

As the above list highlights, the SABRC is in competition with many other programs and job responsibilities. Purchasers explain that managers urge them to comply, but do not provide the necessary staff or time to get it done. This staffing issue is further thwarted by the current hiring freeze. As one officer explains:

“ I do a priority list every morning, and RCP is just too low on the totem pole. It is often number 24 on a 38 item list, and I rarely get past number 20.”

As the examples above illustrate, the excessive demand on a purchasing officer’s time is hindering the purchasing of SABRC-compliant products. The reality is that purchasing is just one of many responsibilities for most purchasing agents. If SABRC-compliant product purchasing is to increase, then the time required to do so must be reduced.

Challenge 2: Confusing and Conflicting

Purchasing Obligations in Addition to SABRC

In addition to the multiple duties that a purchasing officer balances, there are also purchasing statutes that must be considered. A purchasing officer is faced with the challenge of satisfying a number of mandates when making purchasing decisions. As table 17 illustrates, in addition to SABRC, a purchasing officer must balance the Small Business and the Disabled Veteran, Buy America Act, and Buy California Act to achieve their purchasing obligations.

Table 17. Common Purchaser Obligations in Addition to SABRC

Small business (25 percent). (New in 2002: 5 percent out of SB goes to micro business)
Micro business (5 percent). (New in 2002: 5 percent is from SB)
Disabled Veteran (3 percent)
Buy America Act
Buy California Act
Race, Ethnicity and Gender. (Upcoming modification, planned for 2004: purchasing goals will reflect the population percentages of race, ethnicity and gender)

Meeting these various purchasing obligations is often challenged by insurmountable catch-22 and perplexing situations. As detailed below, purchasers are confronted with production chain clarity, contradictory policies, and confounding purchasing statutes.

Production Chain Clarity

Purchasing officers spend a substantial amount of time trying to decide at what point in the production chain should the purchasing decision be focused. For example, a product that satisfies the SABRC requirements is not only difficult to find, but once found, the purchasing officer discovers it is only assembled in California and actually sourced from another State or China, and therefore, may not qualify as a Certified Small Business. It is unclear to the purchasing officer which of the mandates the product satisfies.

Contradictory Policies

An additional stumbling block that purchasing officers encounter is that some policies appear to be contradictory to SABRC purchasing requirements. For instance, in the case of tires for one of the agencies that only uses large trucks, SABRC encourages the purchase of retread tires while DGS does not approve retread tires for front axles of trucks. Contradictory policies perplex many agency purchasers who are then forced to spend time seeking clarification and a solution.

Confounding Statutes

Achieving the balance among competing purchasing statutes is also a huge demand on a purchaser's time. In some situations, satisfying one purchasing obligation comes at the expense of another. As explained by one officer:

“If we purchase from a small business (to fulfill the small business or DVBE mandate), we often get penalized on the SABRC mandate because small businesses don't have the infrastructure or resources to provide certifications, end-of-year purchasing summaries, or catalogues with icons (all necessary for the SABRC). Alternatively, if we purchase from a large business (to satisfy the certification and reporting obligations of the SABRC mandate), then we don't fulfill the Small Business or DVBE purchasing obligations. It's a very, very frustrating situation. How does one balance all the different purchasing mandates?”

Creating the Illusion

To satisfy all these mandates, some staff members have become very creative and may in fact be creating counter-productive “survival mechanisms.” In the effort to satisfy mandated purchasing percentages, some purchasing officers “coach” small, minority, and DVBE-owned businesses on which items to buy from larger companies (for example, Office Depot, Grainger, etc). The smaller business then re-sells the items to the State employee at an elevated price. This process increases the time required of the State employee to “create the illusion” of purchasing from a mandated entity. It does not increase the market share for small businesses, and it passes on increased and unnecessary costs to the taxpayer.

Challenge 3: Marketing Inefficiencies: Perception that RCPs Are Inferior

Another of the major purchasing stumbling blocks for the SABRC program is based on the perception that RCPs are not as good as their virgin equivalent. As a result of this perception, there is resistance among personnel to use RCPs. Purchasing officers are confronted with arguments from agency staff such as:

“The mandate only requires that 50 percent of purchases must be RCPs, so let someone else meet the quota. We want the virgin product.”

The perception that RCPs are inferior places the purchasing officer in the position of constantly trying to convince various departments to be the one using the “inferior” product.

Factors Involved in RCP User Confidence: Quality, Safety, Cost and Availability

A number of factors have created the perception among purchasing personnel that RCPs are not as good as the virgin equivalent. Some prototype RCPs created the impression of lesser quality; rumors circulated about recycled-content paper jamming photocopy machines and refilled toner cartridges leaking and ruining the machines.

Some agencies are also hesitant to try RCPs due to previous disappointing or hazardous results and safety concerns. These concerns are valid in many cases where RCP experiences have even put lives at risk or created extra work due to defective products. One of the more serious recent RCP experiences at a State agency involves RCP sandbags that were used to divert flooding. The bags fell apart as the water pressure increased, resulting in not only ineffective flood banks but causing emergency crews to work double shifts to repair the damage. Other less serious factors hindering the purchase of RCPs include the perception that they cost more and are difficult to locate.

Challenge 4: Repetitive and Unqualified Use of Staff Resources

The repetitive factor built into the current procurement process also contributes to an inefficient expenditure of time. The current process requires all purchasing agents to conduct technical research on products. As a result, different individuals spend time locating and researching the very same items and duplicating efforts.

A majority of the purchasing officers have little or no background in the natural resource or environmental sciences. This puts them at a disadvantage when evaluating products on the market and many find that evaluating RCPs is confusing. As a result, the purchasing officers vacillate over purchasing the alternative products and often default to the products that have been purchased in the past or identified on the purchase orders.

Improvement Opportunities

Reduce Time Demands: Streamline Purchasing with Information Tools and Process Modifications

Information Tools - Make Ordering Easier

Database of SABRC-Compliant RCPs: A resource that identifies SABRC-compliant products would greatly reduce the time purchasers spend searching for products. To be effective, the characteristics of this database are:

Features

- List compliant products by category, supplier, and manufacturer.
- Provide product-specific informational Web links, supplier contact information, and certifications.
- Highlight any relevant DGS master contracts, and authorized vendors.

Location

- CIWMB-RCP Web site: The process to create an SABRC-specific product list is already underway between the buy recycled group and the CIWMB RCP Web site.
- SABRC Web site: create link to CIWMB-RCP/SABRC database.
- DGS Web site: A majority of purchasers have restricted time to visit Web sites external to their own, but will consult the DGS Web site on a regular basis. Staff rarely has time to visit other Web sites. However, a direct link to the SABRC-compliant product database on related State pages is a valuable exercise because it will direct staff to the information. Such related pages include the DGS EPP database and other DSA databases (for example, new school construction)
- Many suggested that this Web site could in fact be a Web store: DGS could provide agreements and contracts with SABRC-compliant clauses. DGS is considered to have the best knowledge and ability to evaluate best cost, best value, and to balance the variety of mandated preferences and considerations for contracts.

Management

- Lists are to be distributed electronically as well as net-based.
- Updates sent regularly to SABRC agency contact.

Newsletter: One of the informational sources purchasing officers use in fulfilling other purchasing mandates are the publications distributed by the management of that particular statute. For example, the DVBE program provides a newsletter that lists certified vendors, the products they manufacture, and supplier contact information. The buy recycled group should consider distribution of a similar publication.

Lists of Commonly Requested Items: A number of products are common to all agencies (for example, photocopier paper, toner cartridges). A list of these common items with their supplier purchasing information could be created and circulated among purchasing staff and posted on the Web for future reference.

Lists of Less Common Items: Purchasers are experiencing difficulty purchasing products in a number of products categories (for example, tire-derived, paint, glass). A list of the products that fulfill these product categories and their supplier contact information could be created and circulated.

Agency-Specific Lists: Products that are specific to any one agency could be suggested as part of regular review (for example, during analysis of their annual report, in the annual follow-up letter).

Multiple-Statute Product List: Lists of products that satisfy the procurement obligations of two or more purchasing statutes would save time for purchasing officers (for example, SABRC and Small Business; SABRC and DVBE).

The SABRC is competing with other purchasing considerations, but they are not mutually exclusive. Some products satisfy more than one mandate; identifying these items and making them known to purchasing staff will help relieve some of the current frustrations.

Some purchasing officers have started to create lists of these items. A starting point would be to leverage already existing resources by asking agency staff to share these lists with the buy recycled group. For example, a survey could be sent out asking purchasing officers to identify the products they know of that meet all three statutes. The buy recycled group could fuse the lists and redistribute them among all agencies. Creating multiple-statute product lists will be well received by purchasing officers. This reduces labor and it highlights double credit purchases, creating a “purchase one item, kill three statutes list.”

Process Modifications

Target Big Purchasers: There are several methods to improve the efficiency and effectiveness of SABRC purchasing processes. One method is to target the “big purchasers.” Big purchasers could be prioritized based on key contracts and purchasing categories.

An analysis of product and service contracts would identify larger contracts that are key for an SABRC focus. These key contracts could be prioritized, and the top ones selected. The top contracts would be fine-tuned to comply with SABRC requirements. As resources permit, all contracts would be reviewed to ensure that they include SABRC clauses.

In the effort to target big purchasing categories, for example, State agencies could be ranked according to the largest customer in any one of the product categories. If this information is not available, then the ranking would be based on procurement spending. These larger category purchasers (for example, paper or financial expenditures) would be targeted to improve their compliance. To improve compliance, samples of commodities and explanations on how to conduct “test runs” would be provided. Commodity samples and test runs allow the agencies to try the products until they are convinced to purchase them on a larger scale.

To improve the effectiveness of SABRC purchasing, “big purchasers” would be prioritized as follows:

- Highest purchasing categories.
- Highest key contracts.
- Larger purchasing agencies (based on categories or procurement budget).

Fuse Purchasing Statutes Responsibilities: Since staff time is in such demand, increased efficiency will improve the management of all programs. Many of the agency staff members who function as both SABRC and waste reduction program coordinators observed that many aspects

are replicated in the two programs. These purchasing officers are in favor of fusing the responsibilities of both programs to reduce double reporting and increase the efficient use of staff resources.

Create Partnership with Prison Industry Authority (PIA): Some agencies purchase specialized items in large quantities that have no recycled-content equivalent (or the equivalent is difficult to find). Creating a standardized system for agencies to propose items to be considered and manufactured by the PIA would satisfy the PIA purchasing policy as well as the SABRC. The PIA has already proved to be cooperative in this manner in the need for RCP office furniture.

Minimize Duplication of Efforts and Confusion: Make Ordering RCPs Easier

Centralize Research: Searching and evaluating products, for their compliance with SABRC, must be centralized to improve the time and technical effectiveness of purchasing. The responsibility of researching SABRC-compliant products must be removed from the purchasing officer and placed with an individual(s) who has the scientific background to quickly access and evaluate the acceptability of current and emerging products. This centralized research will eliminate the duplication of staff time and confusion over product evaluation that currently plagues the purchasing process. The result will be information tools (see section 3.12) that make purchasing straightforward, simple, and quick. The responsibility for this centralized research would be most effective if located within SABRC staffing at the CIWMB due to the environmental expertise of this organization.

While the bulk of SABRC-compliant product research will be centralized, purchasing choices must remain at the discretion of the purchasing officer who may opt to conduct independent research to meet individual agency needs.

Centralize Location of Information: A central resource for SABRC information would drastically reduce the amount of time purchasing officers spend researching products on the Internet and on supplier and manufacturer Web sites. Such a centralized location for information would include all SABRC-related information and implementation tools (for example, product database, flowchart, and other minimum requirement programs could also be listed as long as their inclusion is clearly separated from SABRC-related information.

SABRC Agency Contact Requirements: Reconsidering the experience of staff assuming the SABRC agency contact role may help to eliminate confusion surrounding SABRC purchasing. The contact, especially at the larger State agencies, should have some knowledge of environmental issues.

Vendors/Suppliers Cooperation in Highlighting SABRC-Compliant Products: A number of techniques are available to the business community to assist the State in its effort to buy recycled. Three of these techniques involve highlighting products by using the following:

Icons: Highlighting environmental products and minority-owned businesses in catalogues and Web sites with icons has become a regular business practice in the industry (for example, Office Depot).

A Web site default: Online purchasing can be configured so that SABRC-compliant products pop to the top of a list or are the primary or default option. If the purchaser desires a non-SABRC compliant product, then that option is available but there is more work involved in finding that product. The goal of such a process is to ensure that purchasing an SABRC-compliant item is easier and quicker than buying an alternative.

An SABRC-specific catalogue: One of the State suppliers, Boise Cascade, prepared a catalogue of SABRC-compliant items for State purchasers. Purchasers suggest that other companies, especially the ones with whom the State does a substantial amount of business, could provide similar catalogues or adapt their standard catalog with SABRC related logos.

Trade show products: Products displayed at the trade show should highlight the SABRC-compliant ones (see section 2.2.5).

Contract Clauses: To achieve this type of vendor/manufacture assistance, SABRC management should create drop-in language that stipulates one or all of the above are obligatory, for inclusion in contracts and master contracts. The inclusion of clauses could be processed by DGS for State agencies.

Improve Confidence In RCPs

Case Studies: Creating showcases of successful results with SABRC-compliant products is essential to improving purchasing. As detailed previously, one of the factors impeding RCP purchasing is a lack of user confidence regarding the quality, safety, cost, and availability of RCPs.

Despite a lack in user confidence in RCPs, purchasers are more than willing to try RCPs as long as they have confidence in the product. For example, several agencies will consider retread tires if a third party verifies that their safety and durability are equivalent to the tires currently in use.

Case studies are an information tool that will help dispel the preconceived and uncertain perceptions of RCPs. They could be valuable in helping convince those who haven't tried RCP products, and even more vital in convincing those who have tried a product and been disappointed.

The goals of these case studies are as follows:

- Identify tests that prove the performance of current generation RCPs is equivalent to their "virgin" equivalents. These tests would not single out recycled products. Instead, they would establish the expected qualities and performance of the products and demonstrate that the virgin and RC alternative meet these standards equally.
- Detail product performance measures and successful customer experiences including cost savings, landfill success measures, and ecological and economic impacts.
- Demonstrate benefits of program. a) materials diverted (reducing landfill); b) market stimulation (jobs created) c) ecological successes (number of trees saved).
- Provide examples of agencies that have modified purchases successfully with products/companies and where the price of RCPs is less/comparable to virgin equivalent.
- Show differences between RCPs and their virgin equivalents (for example, environmental, economic).

These case studies will facilitate customer confidence and awareness regarding achievements of the SABRC program and RCPs. Additionally, they will increase purchases with those who still need persuasion to increase their confidence in the quality, cost, and availability of the RCPs. Case studies should be circulated among all agency staff with purchasing responsibilities and included in all outreach efforts (for example, Web site, training manual, product library, newsletter).

6.2 Tracking

Challenge 1: Multiple Tracking Methods Result In Unreliable figures

Nearly every agency interviewed used a different tracking method. Tracking software was, until recently, entirely missing from SABRC training. As a result, many agencies had to create their own “how to track” methods and tools. These tracking systems are diverse and include one or more of the following: especially configured software, spreadsheets, agencywide procurement databases, internal databases, manual inspections of purchase orders, certifications, object codes, Cal Stars, and summary reports provided by product suppliers. Additionally, some agencies have no tracking system at all.

The recently distributed SABRC tracking tool, an Excel spreadsheet, has been met with mixed reviews. Some find the tracking tool helpful and have employed it to track their agency purchases. Others, however, had spent large amounts of time and energy developing their own tracking tools and were not willing to cast them aside for a new, untested version. Still others identified drawbacks to the Excel spreadsheet that stopped them from committing to its use.

The main drawbacks to the Excel tracking tool include design flaws that facilitate user error and create extra work. As an example, one of the design flaws was discovered by an SABRC agency contact after the spreadsheet was already distributed among purchasing staff and the data was being compiled for the SABRC annual report. After a substantial number of the spreadsheets had been fused, the agency contact realized the spreadsheet columns had been moved by several of the division purchasing officers. The fact that the Excel spreadsheet allowed the mixing of columns resulted in the combining of product categories and purchases and meaningless financial figures and totals. Another design drawback is that all data must be entered manually. Manual entry of data increases the opportunities for erroneous entries and makes the tool fairly labor-intensive and time-consuming.

The multitude of methods used by State agencies to track SABRC purchases introduces a large margin of error and ultimately, unreliable data. Furthermore, the tracking tool recently introduced has several limitations that also makes it user-unfriendly. The system also produces unreliable data. The effectiveness of SABRC tracking, therefore, is highly suspect due to the variety of user-error probabilities (for example, tracking tools that rely heavily on manual entry of figures) and tool-error hazards (for example, likelihood of erroneous summary amounts due to consolidation from various sourcing methods). This is a major issue and, to some extent, broader than SABRC and reflects the fact that different State agencies use different accounting systems or use the same accounting system differently. However, interviewees maintain that other programs are not as demanding and complicated to fulfill.

Challenge 2: Non-Prioritized Tracking leads to Inefficiency and Redundancy

Inefficient and Redundant Expenditure of Staff Time: Another challenge purchasing officers encounter while tracking SABRC purchases is maintaining figures on the sheer volumes of purchases made by any one agency. Purchases occur in such large quantities and number of business exchanges that keeping track of all of them consumes an unreasonable amount of time.

Purchasing officers spend time searching for recycled-content information on all purchases, including small purchase orders. Some of these purchase orders are so small that they have minimal impact on the overall purchasing total. As explained by a purchasing officer:

“I currently make 10 to 20 calls per day trying to account for small items like pens and pencils. I aggravate vendors and manufacturers with repeated phone calls—many of whom have just

finished a phone call with another [State] purchasing agent going over a similar issue. It is just too much bean counting!”

In addition to the frustration of time spent contacting and cajoling suppliers into sending recycled-content product information, the data that the purchaser receives is often incomplete, imprecise, or irrelevant.

“A lot of staff time is spent trying to get information, that when sent to us, is often inaccurate. It is a very inefficient expenditure of staff time.”

The time spent tracking recycled-content information on small purchases slows work down and often results in erroneous and unusable data. Further, the redundancy of having each purchaser repeat this process for each product is a highly inefficient expenditure of staff time.

In addition to the sheer volume of purchases and time spent tracking all the small orders, purchasing is often dispersed (for example, satellite and field offices) and complex (for example, Cal-Card). These factors make documenting of the recycled content of purchases virtually unfeasible. In sum, purchasing officers simply do not have the time or the capability to secure documentation for every single purchase and from all the various sources.

Other minor tracking challenges:

Unaccredited Items: The inability to get credit for compliant products is another challenge the agency contact faces. Some products are recycled or contain recycled content, but because it is not verifiable, the agency is refused credit. For example, in one case an agency was refused credit for HP toners that are recharged. These toners are not advertised as “recharged” because the company fears that if they do so, they will lose market shares.

Computer literacy: In a very small minority of interviews, computer literacy was identified as one of the issues hindering tracking compliance. In this situation, some of the senior personnel do not use computers and refuse to order or track purchases electronically. In the past, the standard method for tracking purchases was on paper and some of the senior personnel have retained this method. As individuals retire, tracking compliance will likely improve as the new generation of computer-literate personnel increases.

Improvement Opportunities

Simplify Tracking

Information Tools

Improve and Standardize Tracking Tool: The key characteristics of an improved tracking tool for SABRC are robustness, simplicity, and standardization. The tracking tool must have these characteristics if it is to be effective against the sheer numbers of agency individuals that use it. Any given agency may have 11 or 12 different purchasing officers, in different geographic locations, with many other job responsibilities who may or may not have SABRC training. The tracking tool, therefore, must withstand the user error introduced by these factors if it is to produce reliable results. One possibility to address this issue is to use software formats that include protected fields which are not changeable by the user.

A couple of the tracking tools developed by purchasing agents appear to meet these criteria. For instance, some purchasing agents configured databases (for example, Microsoft Access) to automatically and simultaneously provide purchase orders, track purchases, and print the annual report—all within the SABRC framework. These databases with automatic features provide superior usability in terms of time efficiency, accuracy, and robustness against user-error.

All agency tracking tools should be surveyed to determine one with the necessary characteristics to adequately reflect the realistic and practical needs of the end-user. This useful and effective tracking tool could then be circulated among agencies as the standard or as an optional model. In so doing, user error and tool hazards will be minimized with the ultimate outcome being an increased time efficiency and accuracy of reports.

Adapt Mainstream Tools: Some purchasing agents feel that SABRC management has focused on creating “program tools”—tools that are external to the ones that agency staff regularly use. If the program management would focus on tools that are already used by agency personnel and adapt them to SABRC requirements, instead of creating brand new ones, then the willingness among staff to adopt them would probably increase.

Make Tracking Less Laborious and Time Consuming

Process Modifications

Target Big Purchasers: As previously discussed with regard to purchasing, a more efficient tracking process demands the creation of priorities. Tracking, as with purchasing, would prioritize efforts based on the “big purchasers.” These “big purchasers” would be prioritized based on a ranking of the highest purchasing categories, key contracts, and larger State agencies (based on category purchases or procurement budget).

Therefore, increasing the efficiency of the tracking process demands a prioritization of “what to track.” This prioritization can be achieved as follows:

- a) Focus tracking on highest purchasing categories.
- b) Focus tracking on highest key contracts.
- c) Focus tracking on larger State agencies (based on categories or procurement budget).

Modify category percentages: As with purchasing (see section 1.2), modifying category percentages would also simplify tracking requirements.

Centralize Tracking at Suppliers: Requesting that the various sourcing companies provide summary statements that detail RCP purchases would eliminate time-consuming work by purchasing agents. Centralizing tracking at suppliers/manufacturers, however, requires some consideration of how to simplify the recycled-content data requests in order to minimize the work and time of the vendor providing the information.

Although tracking may be centralized, companies may still use different invoicing methods. For instance, Boise currently supplies recycled-content percentages but does not provide categories. Including categories is an issue that could be considered when the Boise contract comes up for renewal. Office Depot provides categories, but no recycled-content percentages. To improve data accuracy and make the learning process easier for purchasing agents, SABRC management must negotiate an agreement with suppliers for a standardized RCP data information form. As with purchasing requirements, these requirements can be included as contract clauses.

Simplified and standardized requests could include the following provisions:

- The vendor/manufacturer indicates if the product contains recycled-content material; if so, the percentage is provided.
- Standardized form is provided to vendor/manufacturer. The contents of the form will have been negotiated in consultation with suppliers to determine an acceptable information request.

6.3 Certification

Effectiveness of Certification Process (SOW 4)

Challenges

The majority of interviewees believe the certification process is the most difficult component of the SABRC to implement. As detailed below, the certification process as it currently exists is difficult to implement, and therefore not effective. The process is time-consuming, unproductive, repetitive, redundant, and produces unreliable results.

Challenge 1: Time-Consuming and Unproductive for Purchasing Officers

In a minority of the cases, the recycled content information is readily available with a quick telephone call or search of the company's catalogue or Web site. This is often the case with the larger suppliers (for example Office Depot, Grainger).

The certification process, in the majority of cases, proves to be a time-consuming and ineffective process. State purchasing officers spend huge amounts of time contacting suppliers for certifications. Purchasing officers generally deal with sales clerks and not the manufacturer of the products. The process becomes time-consuming because these company sales clerks do not have the recycled information and must obtain it from the manufacturer. In addition, the manufacturer is sometimes difficult to reach or uncooperative. In many cases when the form is forwarded to the manufacturer, it is simply not returned. This sets into motion a cycle of very time consuming "reminder phone calls": purchaser calls supplier, supplier calls manufacturer. Supplier waits to hear from manufacturer, purchaser waits to hear from supplier, purchaser calls supplier again. The cycle continues.

In spite of these well-intentioned and time-consuming efforts, some agencies are very unsuccessful in getting suppliers/manufacturers to fill out and return the certificates. In some cases the rate of returned certificates is as low as 25 percent. What this figure also means is that 75 percent of that agency's purchases are unaccounted for in the SABRC annual report, since certificates are the basis on which the program accepts/rejects purchases.

Challenge 2: Time Consuming for Small Suppliers/Vendors

The certification process is also particularly time-consuming and burdensome for some of the smaller businesses. Smaller businesses do not have the capacity of the larger business to capture and report the data required by the SABRC and are not always able to complete the certification forms due to time and resource shortages.

"Some [small businesses] handwrite the certifications. We are requiring one person to fill in hundreds of certifications by hand. It's a completely unreasonable request. Certifications are a nightmare for both staff and suppliers."

Note: Even though the State represents a good business opportunity for companies, this demand is so laborious that the costs may outweigh the benefits for small businesses.

Challenge 3: Repetitive and Redundant

Completing the certifications is repetitious and often produces unreliable results. State purchasers find that some suppliers will complete the certifications, but the vast majority are confused by the request and simply refuse to cooperate. The suppliers have explained to the State purchasers that the reluctance on the part of the manufacturers to fill out the forms is based on the fact that they have already sent the exact same forms to other State agencies. Businesses do not want to use staff time and resources to repeat the same process and duplicate the certifications for every

different State agency that orders from them. They would like the certification process to be a one-time request that is accessible to all State agencies wishing to purchase the same product.

Vendors must provide documentation with every sale, which slows the certification process. The vast majority of suppliers, vendors, and manufacturers are annoyed by the repetitive nature of the current certification process. If they sell a product to eight different State agencies, they are required to provide eight certifications. If they sell the same product the following week, they are again required to send eight certifications if the same product is ordered, but from a different State Agency.

Challenge 4: Provides Unreliable Information

Many purchasing agents believe that vendors do not have the time or resources to deal with the multitude of State forms requested of them and are forced to take short cuts in the effort to comply with them. In the case of the SABRC certifications, these short cuts range from outright ignoring the requests for them, sending them back incomplete, or providing “estimates.” These estimates often prove to be erroneous. As a result, many purchasing agents do not feel confident that the information suppliers provide on certification forms is accurate.

“Certifications increase the work load exponentially! Even if we get the certifications, the information that suppliers send is often incomplete, inaccurate, or erroneous. The whole effort is simply a waste of staff time.”

The current process of obtaining certifications is ineffective. In particular, the purchasing officer-supplier/vendor-manufacturer grapevine introduces an increased time lag, duplication of staff efforts, and produces unreliable or erroneous results.

Challenge 5: Wastes Supplies

Because the process is so convoluted, obtaining certifications has many purchasing agents frustrated over the amount of paper they are using to get the documents. Paper is used for faxing requests and certification forms, receiving faxed product data, faxing letters to address mistakes on the certification forms, writing memos, filling out forms, and writing letters explaining why their agency is not providing certifications for any number of products.

Challenge 6: Certifications Conflict with Existing Purchasing Mandates

Certifications also seem to work in contradiction to existing Executive Orders. Mandates established by Executive Orders D-37-01 and D-43-01 divert purchases from large companies (for example Office Depot, Boise Cascade, Grainger) to small, micro, and disabled veteran businesses. These small, micro and DVBE businesses do not have the infrastructure or capacity to provide certifications as readily as the larger companies. As a result, requiring certifications puts the SABRC program in direct conflict with these two other purchasing mandates.

Other issues to take into account to improve the certification process

- The laborious certification process, as it now exists, encourages some State purchasers to remain with the same vendors so that they do not have to repeat the process with a new vendor or manufacturer. This finding suggests that purchasers will focus on what will give them the least amount of work, rather than which product best satisfies SABRC requirements.
- Cal-Cards were instituted to expedite purchasing. The certifications process, as it now exists, requires the Cal-Card users to provide forms as well. Requesting Cal-Cards users to provide certification forms is counterintuitive to the purpose of the card and counterproductive since it slows the purchasing process.

Improvement Opportunities

Prioritized Certifications: Purchasing agents believe too much time is required for staff, suppliers, manufacturers, and contractors to gather the information for small routine purchases. As with purchasing and tracking, purchasing officers believe that requiring documentation for “every paper clip and post-it note” is excessive. They believe that certifications should be focused on big-ticket purchase orders and key contracts. One suggestion is to prioritize certifications by creating a tiered process that only requires certifications for purchases over a certain dollar volume. As suggested by several state purchasing officers, these might include the following:

- Mailed bids over \$25,000.
- Contracts or purchase orders over \$5,000.
- Formal written bids.

Centralized Certifications: To create a more efficient process, the product certifications should be organized, verified, and stored at a central SABRC location. Once the certification for a product is completed, it is made available to the purchasing officer as a download or a reference code. Certifications should be provided on a one-time basis and located at the SABRC headquarters accordingly.

One Product, One Certification: A product’s certification is provided only once to the State and obtained directly from the manufacturer. The efficiency and validity of the certifications depends on eliminating the repetitive, redundant interaction between the purchasing agents and the supplier/vendor and multiple certifications sent for one product. Only the manufacturer can verify the contractual language, “under penalty of perjury,” that SABRC forms currently specify.

Centralized Web Site Location: The manufacturer sends the product certifications to a central resource location. This centralized location would make the certifications available to all State purchases for download, e-mail, and in hard copy.

6.4 Reporting

Accuracy of Reported Dollars and Annual Reports (SOW 9, 11)

Surveys and informal discussions with agencies regarding reporting show that agencies are self-reporting their progress to the SABRC. As can be expected, reporting varies between agencies and even among the product categories. Agencies believe that on average, they achieve an average of 75 percent or more compliance on reporting. Compliance among categories ranges from a low of about 40 percent to 50 percent on certain product categories such as solvents, glass, or automotive products to 90 percent or more of steel products. Agency-specific audits on SABRC were underway at the time of the interviews for this report.

Table 18 provides an estimate of the total purchasing volume and percentage based on the assumption that agencies are reporting, on average, only 75 percent of their RCP purchases. The estimates show that if agencies are under-reporting their RCP purchases by up to 25 percent, then actual compliance with the SABRC mandate of at least 50 percent of agency purchasing has been met or exceeded in 7 of the 11 RCP categories.

Table 18. Agency Purchases, Reported RCP Volume and Percentages, and Estimated Actual Volume and Percentages for 2001 SABRC

Product Category	All Agency Purchases	Reported RCP Purchases	% RCP	Est. Purchases if 100% Reporting	Est. % RCP
Paper Products	\$27,423,365	\$18,673,936	68%	\$23,342,420	85%
Printing/Writing Papers	\$47,421,760	\$30,189,875	64%	\$37,737,344	80%
Plastic	\$17,858,185	\$8,682,862	49%	\$10,853,578	61%
Compost	\$2,660,807	\$2,255,965	85%	\$2,660,807	100%
Glass Products	\$2,133,461	\$601,605	28%	\$752,006	35%
Lubricating Oils	\$1,167,812	\$734,470	63%	\$918,088	79%
Paint	\$2,907,184	\$474,551	16%	\$593,189	20%
Solvents	\$844,308	\$513,995	61%	\$642,494	76%
Tire-Derived Products	\$731,928	\$566,340	77%	\$707,925	97%
Tires	\$5,781,938	\$785,441	14%	\$981,801	17%
Steel	\$169,169,793	\$164,553,243	97%	\$169,169,793	100%
TOTAL	\$278,100,541	\$228,032,283		\$248,359,444	

Other Reporting Improvement Opportunities:

Change Submission Date: To increase the accuracy of reports, some purchasing agents suggested changing the submission date. The current submission date, September 1, does not allow enough lag time between the end of the fiscal year and the time to get the certifications from the vendors. Without the certifications, the agency cannot include the purchases on the report. The end of the fiscal year is a very busy period for agencies with staff working overtime to expend their budgets, attending meetings, and preparing many other reports due at that time (Small Business, DVBE monthly, waste management). Suggestions for less busy and alternative submission periods include: October, November, or December 31. Another solution to address this problem, as previously discussed, is to introduce an implementation flowchart which identifies when certifications should be requested—which is at the time of purchase, not at the time when the SABRC annual report is coming due.

6.5 Penalty and Incentive Recommendations

Recommendations To Increase SABRC Compliance (SOW 12)

The majority of purchasing officers said the main issues hindering compliance with the SABRC have little to do with motivation, and that penalties and incentives will do little to change the core problems. As detailed throughout this report, the majority of purchasers believe in the program and are doing their best to comply. They are constrained by inadequate program information sources and implementation tools that are further compromised by limited staff time and resources.

The inadequate information sources and implementation tools result in a large demand on staff time and resources. Estimations of time and resource requirements range from 1 week/month to 3 days/week to get the responsibilities properly done. The SABRC's current structure places an

excessive time demand on purchasing officers to search for compliant items, track product categories, request and follow-up requests for certifications, and compile data from a multitude of sources for the annual report. These time demands place a serious strain on an already restricted resource—staff time.

Despite the fact that penalties and incentives will not change the motivation of staff or the core elements hindering program adherence, some will increase the priority level of the program among agency and staff responsibilities and therefore allow more time to be devoted to the program. These penalties and incentives are:

Penalties

Compliance with the SABRC could be tied to a purchasing agent or agency's procurement allowances. Financial allowances would reflect attendance at SABRC training and adherence to the purchasing mandates and reporting requirements. For example, non-compliance would result in compromised:

- Delegation Authority.
- Cal-Card privileges.

Incentives

Management Level

- Increase management and director involvement for ensuring SABRC implementation. As detailed previously (see section 2.1.2), mechanisms are available to further integrate management into the SABRC program.
- Audits to include SABRC evaluation. Audits of State agencies should include an evaluation of SABRC compliance. For instance, a recent DGS program audit did not ask any questions about the buy recycled program. The omission of buy recycled questions sent the message to State agency personnel that the SABRC was not a priority program.
- Letter to Legislature prior to budget allocation detailing State agencies that complied well with SABRC mandates.
- Promote recognition among peer agencies. This could be achieved with a broadcast (for example memo, newsletter) to all agencies identifying the agencies that performed well (for example, top 5) and why (for example, program design ideas).

Staff Level

- Note to personnel file. A note outlining achievements could enhance promotion opportunities.
- Recognition programs. This incentive would recognize exceptional efforts. The evaluation of recipients, however, must include consideration of the size of the project and/or procurement expenditures to compensate for the large discrepancy in agency budgets and size. A board member could be invited to present recognition or award to the individual or department. Ideas for recognition programs include:
 - BRQM awards. The current awards (recycled products) presented at the BRQMs are appreciated. Suggestions by purchasing officers for other prizes include an attaché, savings bonds, and award-of-the-month plaque or certificate.

- **Monthly Reward.** Monthly awards could be agency-specific. For example, some of the parking at the downtown agencies is at a premium. An appropriate reward for staff at these agencies could be free parking for a month.
- **Annual Event.** The SABRC could host an annual recognition event where plaques or certificates are presented. A current awards ceremony that may serve as a model for the SABRC is hosted by the Department of General Services for the Small Business Recognition Program. A reception is held at a local hotel and awards presented to the departments that were exceptional in their efforts to promote the program. Awards include gold, silver, bronze, and certificates of recognition. Some agencies believe this event has encouraged their managers to support the Small Business program. One option is to expand the Small Business recognition program ceremony to also include an SABRC component.
- **Competitions.** Create fun activities for staff. For instance, the person that spends the highest percentage of recycling dollars receives candy, chocolate, or movie tickets.

7.0 DGS, CIWMB, and SABRC: Internal Review and Interagency Communication

7.1 DGS and SABRC: Internal Review

Statutory Requirements Effectiveness in Promoting the Purchase of RCPs Statewide (SOW 13)

In terms of interactions between the Department of General Services, SABRC, and their complementary efforts in promoting purchases of RCPs, the legislation is specific only in two areas:

- **Specification Review:** The legislation stipulates that Department of General Services, in consultation with the California Integrated Waste Management Board, has the authority to review and revise the procurement specifications used by State agencies in order to eliminate restrictive specifications and discrimination against the procurement or purchase of recycled products.
- **Establish RCP Purchasing Procedures:** the Department of General Services may establish recycled-content disclosure, recycled product-only bids, and cooperative purchasing arrangements. DGS may conduct an analysis of solid waste diversion from disposal facilities to meet the goals for recycled products and to encourage the maximum state procurement and purchase of recycled products in consultation with CIWMB.

The statutory requirements establish a number of tasks for DGS procurement processes and also require the two organizations to work together where changes or additions to procurement procedures and specifications, etc. are needed. These are clear directions for DGS in regard to the SABRC.

Supplier reporting requirements must be the responsibility of one or both agencies, DGS and/or CIWMB. Suppliers report directly to State agencies, but DGS is the responsible agency for procurement, procedures, and contracts. This has caused confusion in the past and has not fostered complementary efforts by State agencies, DGS, and the SABRC.

The Effectiveness of Statutory Requirements In Accomplishing a Statewide Culture of RCPs (SOW 14)

A statewide culture of purchasing recycled-content products is growing. This general perception is well-stated by the following State employee:

“The SABRC is a new concept to State employees, but it is slowly becoming part of the mind-set as they are learning more about the availability, quality, and price of RCPs.”

Improvement Opportunities

As the SABRC grows more institutionalized, DGS can help promote a statewide culture of purchasing RCPs by taking the following actions:

- Reporting to the Legislature regarding SABRC implementation.
- Including SABRC information in all their purchasing training (for example Cal-Card, contracts, CMAS, etc).
- Including SABRC reporting on their standard purchasing forms (for all State agencies).
- Creating a more effective partnership. An example of a more effective partnership could be regularly scheduled meetings where staff from DGS and the buy recycled group participate.
- Strengthening policy requirements.
- Sending a DGS Director’s memo to State agency upper management highlighting the SABRC.
- Developing contract terms to improve availability of products for State agencies located in rural areas.
- Co-publishing a DGS/CIWMB management memo to State agency purchasers instructing and directing them to buy RCPs.

Procurement Division Effectiveness In Promoting RCP Purchasing and Implementing SABRC (SOW 15)

The DGS recently initiated several activities to promote the purchase of RCPs and implement the SABRC. Efforts include contract specifications, the promotion of recycled-content paper within the Office of State Publishing, an increased participation in trainings, and setting up certain specific contracts (for example, re-refined oil contract). Moreover, the DGS participation includes:

- 3 approved purchasing preferences (fine writing paper—10 percent; paper products—5 percent; tire-derived products—5 percent) and moving to specifications (paper—30 percent recycled content).
- 23 annual contracts that include RCP information.

Improvement Opportunities

The DGS procurement division could be more effective in promoting the purchasing of SABRC-compliant products by modifying their contracts and communications as follows:

Contracts

Broaden scope of the SABRC to all State contracts, including the following in particular:

- Construction projects.
- All statewide contracts (for example, office products contract).

Bidding contracts should specify SABRC certification requirements.

Implement the following policies:

- Increase the number of contractors who use an SABRC-friendly reporting format.
- Increase the number of contracts that include clauses detailing SABRC-compliant requirements and categories (for example, all paper contracts should include the SABRC requirements. Presently, only some paper contracts contain RCP information).
- Ensure that statewide projects include SABRC contract clauses. (For example, printing contracts for State agency publications should include an SABRC-compliant paper clause.)
- Specify that supplier contracts include the provision that SABRC-compliant items are highlighted in catalogues and online searches by State employees. (For example, Boise Web site could be configured to highlight SABRC-compliant items with a top-of-the-list or pop-up feature). Supplier contracts should also allow some exceptions for non-RCP products (for example, bond paper for official or legal matters).
- Increase manufacturer responsibility for minimizing waste sent to landfill. For example, the contract should specify that at the end of the useful life of the product, the company will take material back and dispose of it in an environmentally sustainable manner that minimizes the end product/waste sent to landfill.

Communication

- Send more communications to the “users” in agencies identifying DGS contracts that are SABRC-compliant. The users are the individuals providing product requests to the purchasing officers. As such, they can include buy recycled considerations in the initial purchase orders before the purchasing officer has to do so. (For example, send a memo identifying the DGS contracts that specify SABRC-compliant products. Stress that these contracts can be used by the agencies for purchasing).
- Coordinate the content of agencywide communications with the CIWMB buy recycled group.

Participation

- Increased presence and participation at SABRC meetings to demonstrate support of program and collaboration with the buy recycled group as part of a working team. (For example, attendance at BRQMs and CIWMB buy recycled meetings). The increased participation of DGS is more fully detailed in section 7.3 under “DGS Responsibility—Increase contribution and support from DGS upper management.”

Written Material (SOW 16)

DGS procurement produced a few memos promoting the purchase of RCPs several years ago. These memos included “Purchasing RCP categories” (memo #99-01), “Buying 30% bond paper” (memo #99-09), and “Retread tires” (memo #99-14). There appear to be no current efforts to promote SABRC internally to DGS staff.

Coordinating Facets (SOW 17)

There is no coordinated effort among the different DGS procurement facets (for example Office of Fleet Administration (OFA), Office of State Printing and Publishing (OSP), Real Estate Service Division (RESA), California Multiple Award Schedule (CMAS), Procurement Division (PD), Office of the State Architect (OSA) to promote RCP procurement and the SABRC. Some

of the divisions are following SABRC requirements better than others, but no further detail was provided in terms of individual division activities.

Only one of the divisions, RESD, was interviewed for this report. RESD staff has made substantial efforts toward promoting the purchase of RCPs and implementing the SABRC. These efforts include:

RESD Communications (SABRC-related)

- June 22, 2000: RESD acting deputy director issued a bulletin addressing the Public Contract Code sections and requiring the SABRC report for each project prior to contractor's final payment.
- November 21, 2002: DGS memorandum on the topic of SABRC and recycled content certification. It including the deputy director's SABRC directives (06/22/02), an overview of SABRC requirements, and it provided specification section 01615 (see explanation below).

RESD Tools (SABRC-related)

- Specification section 01615 was developed to meet SABRC procurement responsibilities within RESD's construction of State facilities (building material specification and construction). This specification includes a description of SABRC procurement and reporting responsibilities and suggestions to enforce contractor obligations. The specification identifies who is responsible for reporting (at project sites, within DGS, and to the CIWMB), and it provides sample worksheets.
- Proposed contract language.

Improvement Opportunities for RESD

- Work with SABRC office to provide training to agencies that submit a building plan and to those undertaking building projects.
- Include a discussion of SABRC tracking and reporting in their trainings.

7.2 CIWMB and SABRC: Internal Review

Purchasing of Recycled-Content Products (SOW 20)

Outreach

Within the CIWMB, the SABRC has been both effective in some respects and ineffective in others regarding purchasing RCPs. The SABRC has been effective in increasing awareness among some CIWMB staff. CAL/EPA Cal-Card holders who readily "try to only buy 'green' or SABRC compliant products" demonstrate this increased awareness. In addition, management has recently begun monthly meetings on the topic and made available a policy procedural management memo (PPMM) for buying RCPs. However, staff finds the policy too general to provide any real practical guidance.

While the SABRC has increased awareness among some CIWMB staff, it has been ineffective in reaching all relevant CIWMB staff. The following statement by a staff member demonstrates the lack of adequate training and comprehension of some of the purchasing staff within the CIWMB:

"People are only as good as their knowledge. For example, the recycled-content product containers do not have recycled-content. And, the person who ordered them, his job is waste minimization."

To enhance staff awareness and participation in the SABRC, the following were offered in 2002:

- 10 customized trainings for purchasers and support staff (50 staff have been trained).
- 15 grant program trainings.
- Contracts unit training.

These recent trainings are expected to increase SABRC compliance within CIWMB for fiscal year 2002–03.

Informational and Implementation Tools

The SABRC has been ineffective in providing adequate implementation tools. Purchasing officers at the State agencies identified the following issues that hinder the CIWMB programs:

Purchasing: Locating vendors and products with SABRC-compliant products has been difficult. As a result, CIWMB has not been able to provide purchasers with SABRC information or respond adequately to their inquiries. A master file provided by the SABRC that identifies approved vendors and products would help purchasing efforts. SABRC management states that the current RCP database upgrade will address this issue.

Tracking: Until recently, keeping track of ordering information has been a problem. The new Excel tracking tool, developed by the SABRC team, has just been provided to the CIWMB. Staff believes this tool will help in tracking orders, but its effectiveness is not yet known.

Certifications: Vendors have not been cooperative in providing certifications. To remedy this situation, CIWMB purchasers suggest that the SABRC make certifications available to all purchasing agents. Purchasers prefer to access these certifications from a database available statewide on the DGS or Cal/EPA Web site.

CIWMB Staff

Staff responsibility for the SABRC impacts the program's effectiveness within the CIWMB procurement division. At this time, a student is responsible for compiling data and obtaining certification documentation. A permanent, higher-level staff person would improve the effectiveness of implementing the SABRC mandates within the CIWMB programs.

The SABRC has been effective in increasing the awareness among CIWMB Cal-Card holders and improving the management's support of the buy recycled program. It has been ineffective in its training and outreach to all relevant CIWMB staff and providing adequate informational and implementation tools.

Improvement Opportunities

The following steps could improve the SABRC's effectiveness.

- SABRC provides training to all relevant CIWMB staff.
- SABRC provides informational/implementation tools for purchasing (locating vendors and products) and obtaining certifications.
- CIWMB assigns a permanent staff member to implement the SABRC program.
- CIWMB issues a policy regarding SABRC requirements and compliance to CIWMB program staff.

Contracts and Service Agreements (SOW 21)

A survey of contract languages used for contracts, grants, and other service agreements shows that agencies that use the standard procurement processes set up by DGS have RCP procurement requirements incorporated into the contract itself. However, the current requirements do not require contractors, grantees, and loan recipients to comply with the reporting requirements. Anecdotal evidence (through conversations with a small number of contractors) indicates that most interpret the language included in their contracts as informational. Because there are no clear reporting (or enforcement) mechanisms, most interpreted the requirements to be optional rather than compulsory, resulting in less compliance than desired. Contractors can only report RCP use through the DGS procurement information, procurement, and reporting system.

Program Manager Awareness (SOW 22)

The perception among interviewees is that program managers are less aware of the necessity of buying RCPs, as compared to reduce, reuse, and recycle concepts.

Improvement Opportunities

CIWMB could enhance the awareness of the buy recycled concept among program managers by taking the following actions:

- Circulate broadcasts highlighting the similarities between the Board's mission and SABRC program goals and the advantage of mutual cooperation.
- Adopt policy regarding buying RCPs and implementing the SABRC mandates. This action will also enhance compliance within grant programs.

7.3 DGS-CIWMB Interagency Effectiveness Regarding SABRC

Communication (SOW 18)

CIWMB and DGS liaisons have been particularly effective in promoting cooperation between the two groups. Both groups believe that a good working environment currently exists between the two groups. Recently, they have begun to work well with each other and are communicating and cooperating for mutual benefit. In particular, a current joint effort involves developing procurement documents (contracts, master service agreements, etc.) that specify recycled-content requirements.

Improvement Opportunities

Each organization must identify its needs clearly if RCP purchasing is to be improved. Below are some of these current needs and those responsible for addressing them.

DGS Responsibility

- Explain DGS purchasing mechanisms. Improve explanation regarding all the purchasing mechanisms utilized by DGS is necessary. This clarification will allow CIWMB to provide SABRC-related suggestions accordingly.
- Increase contribution and support from DGS upper management. The majority of buy recycled efforts are led by the CIWMB (for example, publications, trainings, trade shows). DGS must communicate clearly to the CIWMB that they are supportive and will work with the CIWMB, and that DGS will facilitate higher levels of cooperation between the two agencies. This cooperation would include DGS helping to integrate SABRC into mainstream

purchasing, and working in partnership with the CIWMB to develop incentives and penalties promoting SABRC compliance.

- Procurement expertise

Buy Recycled Group Responsibility

- Provide scientific evidence. SABRC advocates need to provide more scientific evidence supporting their recommendations. As discussed previously, these case studies could outline the expected standards and performance of products and demonstrate how virgin and RC products meet them. This evidence could also demonstrate what RCPs are achieving and how they benefit the environment and the economy (for example, reduce the waste stream sent to landfill; provide jobs). This evidence would eliminate the overwhelming perception that “the SABRC program is pie-in-the-sky thinking.”
- Integrate industry standards. Industry is perceived as having caught up and surpassed the SABRC requirements, which indicates that the program is outdated and may need revamping. Communication with the vendor/supplier manufacturer community would provide the necessary data to fuse industry standards and SABRC requirements. This information should also become part of program outreach.
- Increase RCP information for DGS contracts and bidding documents. Purchasing of RCPs will be enhanced when the buy recycled group provides supplier/manufacture RCP details to DGS so that contracts and bidding documents can be specified accordingly.

Division of Responsibilities (SOW 19)

In the effort to improve the interagency effectiveness in developing and implementing the SABRC, the strengths of the DGS and CIWMB should be emphasized. Each of these agencies has individual strengths that if leveraged, would be to the benefit of the SABRC. The strengths of the two agencies currently are: for DGS, its procurement and contract abilities; and for CIWMB, its environmental and program-specific knowledge and resources. These strengths can be used to determine a division of responsibilities between the two groups.

The division of responsibilities between the DGS and CIWMB should be negotiated between the two agencies. The two program managers, DGS and CIWMB, could develop an interagency memorandum of understanding (MOU) regarding the division of responsibilities. This MOU would be presented for higher management approval. Any conflicting issues could be negotiated. If an MOU does not emerge from the discussions between the two program managers, an interagency task force could achieve this negotiation.

This task force would coordinate the expertise of the two agencies: DGS (procurement specialists) and CIWMB (environmental specialists) and negotiate the specific division of labor of each agency. In this regard, each agency would contribute to the design of the SABRC by providing its respective procurement and environmental expertise. Moreover, critical to the success of the SABRC is the adequate integration of both environmental information and procurement process considerations. An outcome of this cooperation might be a model master contract for all SABRC-related contracts.

While the specifics must be negotiated by both agencies, the following division of responsibilities is suggested to emphasize the strengths of each group:

DGS (Procurement Specialists):

- Increase the number of bids, contracts, contract specifications, and performance specifications that contain SABRC RCP requirements.
- Include SABRC certification and reporting requirements in all Statewide contracts.
- Identify all projects and contracts that should comply with SABRC requirements, including cooperation with those agencies that have their own purchasing authority (for example PIA, CSU, and UC campuses).
- Revise current recycled-content certification language in statute based on CIWMB recommendations.
- Submit SABRC report to legislature.
- Include SABRC evaluation in State agency audits.
- Price schedules.

CIWMB (Environmental Specialists—SABRC program content and development):

- Resource tools: database of vendors, products, and certifications.
- Implementation tools: tracking software, reporting forms.
- Outreach: training, trade shows, development and publications of manuals.
- Collection and statistical analysis of annual reports.
- Establish updating schedule of minimum/higher recycled-content requirements based on industry standards.

In addition to negotiating the labor responsibilities between DGS and CIWMB, the inter-agency cooperation could also focus on developing activities to improve SABRC implementation. Some suggestions for these activities are:

Introduce a preference program. The law states that DGS with CIWMB can identify purchasing preferences. While the CIWMB is not particularly in favor of this mechanism, it is a purchasing process that the DGS uses and can be useful in certain cases where market forces discourage the purchase of RCPs.

Set up a vendor incentive program. The DGS and CIWMB could set up a mechanism to encourage cooperation among vendors who do not carry RCP products. For example, the committee could send memos listing RCP products and their vendors to State agencies with a copy also sent to vendors who do not supply RCP versions of the same products.

Dialogue and negotiate on any necessary Legislative modifications: SABRC modifications and updates need to be accomplished within existing legislative resources. Further legislation is perceived to be too time-consuming, and it will not necessarily improve the implementation of the SABRC. An interagency forum would open dialogue and negotiations to identify any necessary legislative modifications.

8.0 Summary: Program Strengths and Performance Improvement Opportunities

Table 19 provides a summary overview of the SABRC program elements and their existing strengths and future opportunities to improve their performance. As the program currently exists, the buy recycled group has been particularly effective in increasing awareness about the program among the State organizations through their publications, training, meetings, and trade shows. The buy recycled group has also achieved great success in fostering staff-to-staff relations that are positive, helpful, and productive.

The program's effectiveness, however is hindered by a number of challenges. These challenges include implementation tools and compliance processes that are time-consuming and labor intensive. Cumulatively, these challenges create a program that exceeds the resources of not only agency staff, but also of the suppliers, vendors, and manufacturers, on which the program also depends. As a result, the SABRC is not being effectively implemented and is also meeting with resistance by agency staff and the business industry.

To improve the performance of the SABRC, some key modifications are detailed in the Performance Improvement Opportunities column of Table 19. These key modifications are to: 1) Create a database of SABRC-compliant products, that also provides the associated vendor source information and the product certifications; 2) Prioritize purchasing and tracking efforts by targeting agencies and contracts with large expenditures; 3) Improved marketing of RCPs with case studies that increase product confidence; 4) Simplify and standardize tracking tools and requirements; 5) Centralize program research and implementation tools (product lists, tracking tools, vendor contact information, certifications); 6) Increase the profile of the SABRC through outreach to all personnel with purchasing responsibilities, including agency directors, management, and administration. In this effort, the highest level of government administration should endorse the program to maximize participation among State agencies. Collectively, these steps should produce significant improvement in the performance of the SABRC program within the California government.

Table 19. Summary of Program Strengths and Performance Improvement Opportunities

Program Element	Strengths	Performance Improvement Opportunities
Goals	Assistance to State agencies	Analyze contribution of SABRC to IWMA diversion efforts Coordinate SABRC activities with RCP market
Product Categories		
Methodology		<i>Program level:</i> Update: categories to reflect current landfill waste stream composition Prevent: identify emerging landfill problems Incorporate: a reiterative updating schedule that includes a broad stakeholder private and public spectrum <i>Staff level:</i> Simplify product categories: number and %

Program Element	Strengths	Performance Improvement Opportunities
		requirements
Outreach		
Staff-to-staff service	Attitude Follow-up Timeliness Distribution of available information, implementation and training material Annual follow-up letter	<i>Staff:</i> Expand outreach to all decision-makers, industry stakeholders, local governments, and consultants Identify and resolve non-implementation factor Include information in new employee packets <i>Management:</i> Create a higher profile for SABRC Improve annual follow-up letter
Information Tools		
Resources	<i>Publications:</i> Informative Easy to understand Well written Forms have become simpler, more user friendly <i>Web site:</i> Responsibilities of SABRC agency contact Provides forms FAQ section <i>Product library:</i> Provides new ideas Demonstrations that no difference exists between RCPs and non-RCPs	<i>Publications:</i> Modify distribution Develop additional publications <i>Web site:</i> Add product information tools Improve user-friendliness Create training video and highlight success stories <i>Product library:</i> Increase visibility Develop cooperation with business community Provide regular and customized tours Create virtual library Provide case study showcases Provide sample kits
Meetings	<i>BRQM:</i> Informative Enjoyable, fun Well managed Provides networking opportunity <i>Trade shows:</i> Introduces new purchasing ideas Facilitates interaction and questions with exhibitors	<i>BRQM:</i> Permit questions only at end Provide videotape and written summary <i>Trade shows:</i> Highlight SABRC-compliant products and exhibitors Include as obligatory part of SABRC training Leverage SABRC relevancy opportunities

Program Element	Strengths	Performance Improvement Opportunities
	<i>New supplier workshop:</i> Integrates industry community into program development	
Training	Conveys value of program Provides substantial amount of reference material Shares additional resource sites Emphasizes willingness of SABRC staff to be of assistance	<i>Tools:</i> Stand-alone forms List of terms and definitions Case studies Provide an implementation timeline Create a manual of implementation tools Develop support staff training tools <i>Processes:</i> Extend outreach beyond agency contact Make training mandatory Provide mentor and networking opportunities Create “best performer” agency models
Proposed Module		Develop an additional information tool: SABRC “Current Issues” to clarify misinformation and explain relevant topics.
Compliance		
Purchasing		Streamline purchasing: reduce time and resources needs Centralize research and product information <i>Tools:</i> Database of SABRC-compliant products and their associated vendor source information Newsletter Compliant product lists (commonly requested items and less commonly requested items) Agency-specific lists Multiple-statute product lists <i>Process modifications:</i> Prioritize purchasing (target big purchasers: agencies and contracts) Fuse purchasing responsibilities Create partnership with PIA Minimize duplication of efforts and confusion (centralize research and information) Increase supplier cooperation in highlighting compliant products Improve confidence in RCPs (case studies,

Program Element	Strengths	Performance Improvement Opportunities
		improved marketing)
Tracking		<p>Simplify tracking: reduce time and resources needs</p> <p><i>Tools:</i></p> <p>Improve and standardize tracking tool</p> <p>Adapt mainstream tools, do not create new ones</p> <p><i>Process modifications:</i></p> <p>Prioritize tracking (target big orders)</p> <p>Modify category percentages</p> <p>Centralize tracking at suppliers</p>
Certification		<p>Minimize repetitive and redundant use of staff time and resources:</p> <p>Centralize certifications of SABRC-compliant products and their associated vendor source information</p> <p>Prioritize certifications (big ticket contracts and bids)</p>
Reporting		Modify submission date
Penalties and Incentives		<p><i>Penalties:</i></p> <p>Delegation authority</p> <p>Cal-Card privileges</p> <p><i>Incentives:</i></p> <p>Management level:</p> <p>Increase management involvement</p> <p>DGS audits to include SABRC</p> <p>Letter to the Legislature</p> <p>Recognition among peer agencies</p> <p>Staff level:</p> <p>Note to personal file</p> <p>Recognition programs</p>
DGS, CIWMB and SABRC		
DGS and SABRC		<p><i>Promote a statewide culture:</i></p> <p>Report to Legislature</p> <p>Include information in training and forms</p> <p>Create cooperative partner relationship with buy recycled group</p> <p>Strengthen policy</p> <p>Develop contract terms</p> <p>Compose DGS Director's memo to State agency management</p> <p>Co-publish DGS/CIWMB management</p>

Program Element	Strengths	Performance Improvement Opportunities
		<p>memo directed to State agencies staff</p> <p><i>Procurement:</i></p> <p>Broaden scope and content of contracts and bidding documents</p> <p>Increase and coordinate communications and publications</p> <p>Increase participation in SABRC meetings</p> <p>Increase coordination among DGS procurement facets (SABRC training and reporting)</p>
CIWMB and SABRC		<p><i>SABRC group:</i></p> <p>Training all relevant purchasing staff</p> <p>Improved information and implementation tools</p> <p><i>CIWMB:</i></p> <p>Placing permanent staff as responsible for program implementation</p> <p>Issuing policy regarding requirements and compliance obligations</p> <p>Increase awareness among program managers (broadcasts, policy)</p>
DGS-CIWMB		<p>Liaison responsibilities</p> <p><i>DGS:</i></p> <p>Explain DGS purchasing mechanisms</p> <p>Increase DGS management visible support</p> <p><i>Buy Recycled/CIWMB:</i></p> <p>Provide scientific evidence</p> <p>Integrate industry standards</p> <p>Increase RCP information for inclusion in DGS contracts and bidding documents</p> <p>Division of labor</p> <p><i>Interagency task force would negotiate labor according to:</i></p> <p>DGS: Procurement expertise</p> <p>CIWMB: Environment and SABRC program expertise</p> <p>Program improvements (preference and incentive programs, legislative modifications)</p>

8.1 Lessons Learned for SABRC and Their Relevance to Other Procurement Programs

This report presents many of the strengths of the SABRC as well as opportunities to improve the effectiveness of its program elements. These strengths and improvement opportunities provide a wealth of lessons learned. These lessons are applicable to enhancement of the SABRC and other procurement programs of the State of California.

As discussed in this report and summarized by Table 19, the SABRC has many strengths. A need exists to streamline the various implementation processes to make the program easier, quicker, and ultimately less demanding on staff time and resources.

In this regard, the SABRC holds many lessons for the emerging EPP program, of which it is an integral part. These lessons include identifying the needs of managers, purchasers, and support staff that are key to the effective implementation of all agencywide procurement. Another lesson learned is that the procurement process must be easy, simple, and relatively quick.

In summary, the key lessons of the SABRC program evaluation that are also relevant to the emerging EPP program include:

- **Streamline Purchasing**—Minimize time and resource needs by providing: centralized product research, product information, vendor resources, manufacturer certifications, and program relevance to other mandated purchasing responsibilities. Include implementation aids to ease the integration of the various purchasing requirements.
- **Simplify and Standardize Tracking and Reporting**—Minimize time and resource needs by providing standardized software tools that are compatible with a widely used procurement program, prioritize lists of agencies and contracts with large expenditures, and centralize tracking through suppliers where possible.
- **Administrative Cooperation**—Address procurement and environmental considerations by revising DGS purchasing guidelines to include environmental factors, and gain the endorsement of the revised guidelines by the highest level of government to maximize participation among State agencies.

Appendix

SOW Questions

SOW 1. How effective is the methodology for determining product categories, especially on items of a composite (multiple materials) nature?

SOW 2. What is the effectiveness of needing a total recycled-content (TRC) which is a postconsumer (PC) plus a post-industrial content (PI) versus just a postconsumer content, with PC being the most important?

SOW 3. How effective are the different percentages of content for different product categories? Are these percentages realistic in today's markets? Should the PC percentages be increased?

SOW 4. The SABRC requires a certification process. How effective is this process and what information is good enough to be considered certified for the requirements of the SABRC?

SOW 5. How effective is the SABRC outreach toward State organizations?

SOW 6. How effective are SABRC publications (that is, fact sheets, training manual, brochures, etc.) in conveying buy recycled information and compliance information?

SOW 7. How effective is the SABRC Web site in conveying buy recycled and compliance information?

SOW 8. How effective are SABRC trainings and meetings conducted at CIWMB and at State organizations?

SOW 9. Approximately how much in total reportable dollars should be reported statewide each year if all agencies reported?

SOW 10. How effective has the SABRC been in communicating to State organizations the need for all management to recognize the requirements of buying recycled-content products (RCP)?

SOW 11. How accurate have the RCP annual reports been from some of the larger State organizations?

SOW 12. Recommendations of penalties and incentives to increase SABRC compliance.

SOW 13. How are the statutory requirements between DGS and SABRC complementing each other in their effectiveness towards promoting the purchase of RCPs statewide?

SOW 14. Are the statutory requirements between DGS and SABRC accomplishing a statewide culture of RCPs?

SOW 15. How effective is the DGS Procurement Division in promoting the purchase of RCPs and implementing the SABRC?

SOW 16. What is DGS Procurement doing to produce written material (fact sheets, management memos, Web site information, etc.) to promote the purchase of RCPs?

SOW 17. How effective is the coordination of different DGS procurement facets (that is, OFA, OSP, RESD, CMAS, contracts, etc.) in relation to the SABRC program in promoting RCP procurement?

SOW 18. Is the coordination between CIWMB and DGS liaisons effective in communicating the needs of each organization towards purchasing RCPs?

SOW 19. Is there a natural division of responsibilities that would more clearly reflect the current division of labor and emphasize the strengths of each group?

SOW 20. How effective has the SABRC program been within the California Integrated Waste Management Board programs in purchasing RCPs?

SOW 21. In programs such as contracts, grants, loans, and other service agreements, how effective are they in requiring grantees and loan recipients to purchase RCPs with the taxpayer's dollar?

SOW 22. What is the overall awareness of CIWMB program managers to the necessity of purchasing RCPs as compared to reduce, reuse and recycle concepts?